

**TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY**

**REPORT OF AUDIT
YEAR ENDED DECEMBER 31, 2012**

TOWNSHIP OF STAFFORD

COUNTY OF OCEAN

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TOWNSHIP OF STAFFORD

COUNTY OF OCEAN

PART I

REPORT OF AUDIT OF FINANCIAL STATEMENTS

AND SUPPLEMENTARY DATA

FOR THE YEAR ENDED DECEMBER 31, 2012

FALLON & LARSEN LLP

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members
of the Township Council
Township of Stafford
County of Ocean
Stafford, New Jersey

We have audited the accompanying balance sheets of the various funds and account groups of the Township of Stafford (the "Township"), as of December 31, 2012 and 2011, and the related statements of operations and changes in fund balance for the years then ended and the related statements of revenues and statements of expenditures for the year ended December 31, 2012 and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The financial statements of the Length of Service Award Program ("LOSAP") were not audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair

presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2012 and 2011, the changes in financial position for the year ended December 31, 2012.

Basis for Qualified Opinion on Length of Service Award Program

The financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements. The LOSAP Fund financial activities are included in the Township's Trust Fund and represents 7.40% and 5.29% of the assets and liabilities as of December 31, 2012 and 2011, respectively of the Township's Trust Funds.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Length of Service Award Program" paragraph, the financial statements referred to above present fairly in all material respects, the financial position of the Township Trust Funds, and the changes in financial position thereof for the year ended December 31, 2012 on the basis of accounting described in Note 1 to the financial statements.

Unmodified Opinions on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above other than the Length of Service Award Program Fund present fairly, in all material respects, the financial position of the various funds and account groups of the Township as of December 31, 2012 and 2011, and the results of its operations and changes in fund

balance of the individual funds for the year ended December 31, 2012, on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1 to the financial statements.

Other Matters

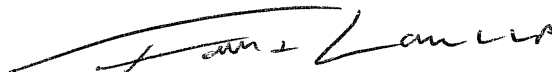
Our audits were conducted for the purpose of forming opinions on the financial statements of the Township taken as a whole. The accompanying financial information listed as supplementary schedules and comments section in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying financial information listed as supplementary schedules and comments sections in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Except for the LOSAP Fund supplementary schedules, such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund supplementary information been audited, in our opinion, the supplementary schedules and comments sections are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2013, on our consideration of the Township's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

October 31, 2013

Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Members
of the Township Council
Township of Stafford
County of Ocean
Stafford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Stafford, of the State of New Jersey (the "Township"), as of and for the year ended December 31, 2012, and the related notes to the financial statements, and have issued our report thereon dated October 31, 2013. The financial statements of the Length of Service Award Program ("LOSAP") were not audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America. As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion was also qualified because the Division of Local Government Services does not require the Length of Service Award Program to be audited, only reviewed.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

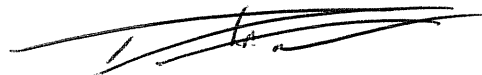
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

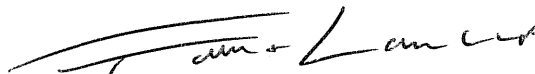
As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant #465



Fallon & Larsen LLP

October 31, 2013

CURRENT FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Cash and Cash Equivalents - Treasurer							
Cash - Change Fund	1-A	\$ 12,697,710.28	\$ 7,506,659.45	Appropriation Reserves	A-3,8-A	\$ 558,525.02	\$ 792,552.54
Due From State of New Jersey - Senior	A	300.00		Encumbrances Payable	9-A	1,518,188.12	137,022.47
Citizens' and Veterans' Deductions	2-A		8,242.71	Payroll Deductions Payable	11-A	164,271.05	199,238.06
				Prepaid Taxes	12-A	466,786.36	513,634.72
				County Taxes Payable	13-A	43,465.31	54,552.06
				Local District School Tax Payable	14-A	1,795,451.00	1,482,331.50
				Regional School Tax Payable	14-A	541,146.75	482,748.40
				Tax Overpayments Payable	15-A	4,782.47	4,168.76
				Due From State of New Jersey - Senior			
	3-A	947,512.88	890,510.44	Citizens' and Veterans' Deductions	2-A	9,193.76	
Taxes Receivable				Due To Grant Fund	10-A	146,809.43	166,078.20
Tax Title Liens Receivable	4-A	118,833.01	61,020.81	Reserve for:			
Revenue Accounts Receivable	5-A	20,818.00	24,822.25	Garden State Preservation Trust Fund	17-A	36,666.00	36,666.00
Property Acquired for Taxes -				Special Emergency - Superstorm Sandy	22-A	4,115,315.43	
Assessed Valuation	6-A	288,350.00	290,850.00	Special Emergency Notes	20-A	7,000,000.00	
		1,375,513.89	1,267,203.50			16,400,600.70	3,848,992.71
Deferred Charges:							
Special Emergency Authorization	21-A	7,000,000.00		Reserve for Receivables and Other Assets	A	1,375,513.89	1,267,203.50
				Fund Balance	A-1	3,297,409.58	3,665,909.45
		21,073,524.17	8,782,105.66			21,073,524.17	8,782,105.66
Grant Fund:				Grant Fund:			
State and Federal Grants Receivable				Encumbrances Payable			
Due From Current Fund	7-A	21,955.24	16,867.80	Reserve for Grant Expenditures -	9-A	2,804.00	1,487.22
	A	146,809.43	166,078.20	Appropriated	18-A	165,960.67	164,684.81
				Reserve for Grants - Unappropriated	19-A		16,773.97
		168,764.67	182,946.00			168,764.67	182,946.00
Total Assets		\$ 21,242,288.84	\$ 8,965,051.66	Total Liabilities, Reserves and Fund Balance		\$ 21,242,288.84	\$ 8,965,051.66

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 3,250,000.00	\$ 2,800,000.00
Miscellaneous Revenue Anticipated	A-2	5,083,687.77	5,100,251.91
Receipts From Delinquent Taxes	A-2	848,940.32	828,900.03
Receipts From Current Taxes	A-2	82,562,339.78	81,776,195.43
Non-Budget Revenues	A-2	675,149.31	1,025,913.47
Other Credits To Income:			
Unexpended Balance of Appropriation			
Reserves	8-A	380,821.84	451,739.82
Cancel Accounts Payable	A-1		8,602.47
Total Revenues		<u>92,800,939.02</u>	<u>91,991,603.13</u>
Expenditures:			
Budget Appropriations:			
Operations:			
Salaries and Wages	A-3	16,512,250.00	15,878,230.00
Other Expenses	A-3	18,036,674.61	10,551,169.88
Capital Improvements	A-1		125,000.00
Deferred Charges and Statutory			
Expenditures	A-3	3,269,808.52	3,704,879.03
Debt Service	A-3	6,542,348.56	6,400,055.81
Prior Year Senior Citizens' Disallowed	2-A	17,823.27	3,081.51
County Taxes	13-A	16,523,991.58	16,532,855.81
County Share of Added Taxes	13-A	43,465.31	54,552.06
Local District School Tax	14-A	26,175,482.00	25,509,243.00
Regional School Tax	14-A	9,358,469.76	9,241,673.07
Municipal Open Space Tax	16-A	439,125.28	438,623.52
Total Expenditures		<u>96,919,438.89</u>	<u>88,439,363.69</u>
Excess (Deficit) in Revenue		(4,118,499.87)	3,552,239.44
Add Back Charges Which Are By Statute			
Deferred Charges To Succeeding Years'			
Budgets:			
Special Emergency Authorization	21-A	<u>7,000,000.00</u>	
Statutory Excess		2,881,500.13	3,552,239.44
Fund Balance, January 1	A	<u>3,665,909.45</u>	<u>2,913,670.01</u>
		6,547,409.58	6,465,909.45
Decreased By:			
Utilized as Anticipated Revenue	A-2	<u>3,250,000.00</u>	<u>2,800,000.00</u>
Fund Balance, December 31	A	<u>\$ 3,297,409.58</u>	<u>\$ 3,665,909.45</u>

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

Exhibit A-2
Page 1 of 3

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>	<u>Anticipated</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	A-1	\$ 3,250,000.00	\$ 3,250,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	5-A	30,000.00	30,700.00	\$ 700.00
Fees and Permits	5-A	25,000.00	27,680.00	2,680.00
Fines and Costs:				
Municipal Court	5-A	325,000.00	354,488.00	29,488.00
Interest and Cost on Taxes	5-A	195,000.00	198,656.83	3,656.83
Fire Prevention Bureau Fees	5-A	85,000.00	95,961.11	10,961.11
Mobile Home Park Fees	5-A	130,000.00	138,976.20	8,976.20
Payments in Lieu of Taxes - Federal	5-A	12,459.00	13,932.00	1,473.00
Cable TV Fee and Lease	5-A	116,942.30	116,942.30	
PILOT - Target, Costco, etc.	5-A	266,000.00	285,351.20	19,351.20
Energy Receipts Tax	5-A	2,465,920.00	2,465,920.00	
Supplemental Energy Receipts Tax	5-A	104,286.00	104,286.00	
Garden State Preservation Trust Fund	5-A	36,666.00	36,666.00	
Uniform Construction Code Fee	5-A	500,000.00	624,826.00	124,826.00
Shared Services Agreement -				
Animal Control:				
Township of Long Beach	5-A	17,600.00	18,329.70	729.70
Borough of Beach Haven	5-A	4,800.00	6,059.30	1,259.30
Borough of Barnegat Light	5-A	2,900.00	3,488.50	588.50
Borough of Harvey Cedars	5-A	3,200.00	3,271.00	71.00
Shared Services Agreement -				
Construction:				
Township of Eagleswood	5-A	18,000.00	33,931.00	15,931.00
Borough of Beach Haven	5-A	50,000.00	30,859.20	(19,140.80)
Borough of Surf City	5-A	30,000.00	37,077.00	7,077.00
Borough of Harvey Cedars	5-A	17,000.00	16,777.00	(223.00)
Ocean County Cooperative Pricing System	5-A	15,000.00	17,500.00	2,500.00
Reserve To Pay Bonds	5-A	7,448.00	7,448.00	
Capital Surplus	5-A	215,000.00	215,000.00	
Recycling Tonnage Grant	7-A	47,674.65	47,674.65	
Clean Communities Program	7-A	58,789.24	58,789.24	
Alcohol Education and Rehabilitation Fund	7-A	2,320.41	2,320.41	
Municipal Alliance on Alcoholism and Drug Abuse	7-A	27,000.00	27,000.00	
2012 Body Armor Replacement Fund	7-A	4,703.16	4,703.16	
2011 Body Armor Replacement Fund	7-A	4,675.17	4,675.17	
Over the Limit Under Arrest 2012 Crackdown	7-A	4,400.00	4,400.00	
Emergency Management Assistance Funding	7-A	12,098.80	12,098.80	
Bulletproof Vest Partnership FY 2011	7-A	3,900.00	3,900.00	
Click It or Ticket 2012 Seat Belt Mobilization	7-A	4,000.00	4,000.00	
FY 2012 Community Development Block Grant	7-A	25,000.00	25,000.00	
FFY 2011 Emergency Management Assistance Funding	7-A	5,000.00	5,000.00	
Total Miscellaneous Revenues	A-1	4,872,782.73	5,083,687.77	210,905.04

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

Exhibit A-2
Page 2 of 3

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>	<u>Anticipated</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Receipts From Delinquent Taxes	A-1,3-A	<u>700,000.00</u>	<u>848,940.32</u>	<u>148,940.32</u>
Amount To Be Raised By Taxes for Support of Municipal Budget	A-2,3-A	<u>31,007,467.86</u>	<u>31,680,251.61</u>	<u>672,783.75</u>
Budget Totals	A-3	39,830,250.59	40,862,879.70	1,032,629.11
Non-Budget Revenues	A-1,A-2	<u>675,149.31</u>	<u>675,149.31</u>	<u>675,149.31</u>
		<u>\$ 39,830,250.59</u>	<u>\$ 41,538,029.01</u>	<u>\$ 1,707,778.42</u>
Revenue Accounts Receivable	5-A		\$ 4,884,126.34	
Grants Receivable	7-A		<u>199,561.43</u>	
	A-2		<u>\$ 5,083,687.77</u>	
Summary of Revenue Realized:				
Allocation of Current Tax Revenues:				
Allocation of Current Tax Collections:				
Revenue From Collections	A-1,3-A		\$ 82,562,339.78	
Allocated To School and County Taxes	3-A		<u>52,540,533.93</u>	
Balance for Support of Municipal Appropriations			30,021,805.85	
Increased By:				
Appropriation Reserve for Uncollected Taxes	A-3		<u>1,658,445.76</u>	
Amount for Support of Municipal Budget Appropriations	A-2		<u>\$ 31,680,251.61</u>	

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

Exhibit A-2
Page 3 of 3

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

<u>Analysis of Non-Budget Revenues</u>	<u>Reference</u>	
Peddler and Taxi Licenses		\$ 2,095.00
Raffle/Bingo Licenses		7,510.00
Food-Handlers License		12,967.61
Vital Statistics		34,310.00
Tax Searches		30.00
Xerox Copies		548.98
Contractors Registration		25.00
Land Use - Zoning Fees		30.00
Administration Fees - Site Plans		4,175.00
Variance Lists		610.00
Towing Fees		720.00
Ocean County Recycling Revenue Sharing		95,967.23
Pool Licenses		500.00
Street Opening Permits		6,555.00
Police Reports		4,306.87
Labor Liens		6,880.40
Interest on Investments and Deposits		32,791.19
Trash Containers		480.00
Returned Check Charge Fees		200.00
Cat Licenses		9,057.40
Court Reporter - Planning and Zoning		3,500.00
Miscellaneous		449.50
2% Administrative Payment		9,828.63
Miscellaneous Refunds and Reimbursements		13,028.27
Police Outside Employment Administrative Fee		70,427.62
Restitution		1,891.47
Affordable Housing Salary Reimbursement		100,000.00
Police Entrance Exam Fees		5,000.00
Insurance Proceeds - Lightning Strike		35,635.55
Penalty - Building Department		1,100.00
Recycled Material		2,947.60
PILOT - Presbyterian Homes		40,482.28
PILOT - Stafford Family Apartments		41,524.00
PILOT - Stafford Properties Urban Development		26,565.16
Auction Proceeds		671.61
FEMA Hurricane Irene Reimbursement		90,123.44
Firearms Application Fees		1,612.00
Sale of Property Acquired for Taxes	6-A	6,800.00
DMV Inspection Fines		3,802.50
		<hr/>
	A-2,1-A	\$ 675,149.31

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$ 230,500.00	\$ 223,900.00	\$ 217,012.62	\$ 1,887.38	\$ 5,000.00
Other Expenses	15,725.00	15,725.00	10,593.34	5,131.66	
Purchasing:					
Salaries and Wages	145,100.00	148,600.00	148,578.97	21.03	
Other Expenses	7,510.00	7,510.00	7,456.18	53.82	
Human Resources:					
Other Expenses	12,000.00	12,000.00	5,985.00	6,015.00	
Mayor and Council:					
Salaries and Wages	115,500.00	116,350.00	116,310.04	39.96	
Other Expenses	2,300.00	2,300.00	1,418.89	881.11	
Municipal Clerk:					
Salaries and Wages	249,000.00	249,000.00	245,608.02	3,391.98	
Other Expenses	42,325.00	42,325.00	41,058.83	1,266.17	
Elections	2,500.00	2,500.00	2,422.46	77.54	
Financial Administration (Treasury):					
Salaries and Wages	357,500.00	357,500.00	346,329.13	6,170.87	5,000.00
Other Expenses	15,200.00	15,200.00	15,118.99	81.01	
Audit Services:					
Other Expenses	35,000.00	35,980.00	35,980.00		
Banking and Arbitrage Rebate Services:					
Other Expenses	30,000.00	30,000.00	17,443.66	12,556.34	
Computerized Data Processing:					
Salaries and Wages	135,500.00	135,500.00	131,038.60	4,461.40	
Other Expenses	106,386.00	106,386.00	106,231.16	154.84	
Revenue Administration (Tax Collection):					
Salaries and Wages	395,000.00	395,000.00	383,833.79	1,166.21	10,000.00
Other Expenses	64,050.00	64,050.00	63,898.25	151.75	
Tax Assessment Administration:					
Salaries and Wages	351,500.00	351,500.00	347,125.72	4,374.28	
Other Expenses	95,825.00	59,825.00	21,589.33	38,235.67	
Legal Services (Legal Department):					
Other Expenses	200,000.00	200,000.00	132,585.95	67,414.05	
Engineering Services:					
Other Expenses	125,000.00	125,000.00	124,477.25	522.75	
Municipal Alliance:					
Salaries and Wages	41,750.00	41,750.00	40,480.30	1,269.70	
Community Development and Zoning:					
Salaries and Wages	203,500.00	203,500.00	197,560.20	5,939.80	
Other Expenses	9,400.00	9,400.00	9,085.22	314.78	
Historic Sites Office:					
Salaries and Wages	900.00	900.00	276.50	623.50	
Other Expenses	750.00	750.00	422.35	327.65	

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
LAND USE ADMINISTRATION					
Planning Board:					
Salaries and Wages	4,000.00	4,000.00	1,730.10	2,269.90	
Other Expenses	12,700.00	12,700.00	4,692.23	8,007.77	
Zoning Board of Adjustment:					
Salaries and Wages	3,000.00	3,000.00	1,913.39	1,086.61	
Other Expenses	11,515.00	11,515.00	8,151.61	3,363.39	
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement:					
Salaries and Wages	541,000.00	541,650.00	540,082.50	1,567.50	
Other Expenses	8,845.00	14,635.00	13,442.31	1,192.69	
Other Code Enforcement Functions:					
Salaries and Wages	155,000.00	157,600.00	157,583.00	17.00	
Other Expenses	1,225.00	1,225.00	894.72	330.28	
INSURANCE					
General Liability	288,510.04	283,510.04	283,413.05	96.99	
Workers Compensation	426,239.14	426,239.14	426,239.14		
Employee Group Health	4,630,045.00	4,630,045.00	4,630,045.00		
Unemployment/Disability Insurance	45,000.00	45,000.00	45,000.00		
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	7,765,000.00	7,765,000.00	7,765,000.00		
Other Expenses	396,120.00	405,120.00	405,120.00		
Office of Emergency Management:					
Other Expenses	5,100.00	5,100.00	5,100.00		
Aid To Volunteer Fire Companies	90,000.00	90,000.00	90,000.00		
Aid To Volunteer Ambulance Companies	70,000.00	70,000.00	63,537.48		
Uniform Fire Safety:					
Salaries and Wages	161,500.00	161,500.00	149,537.14		
Other Expenses	14,150.00	14,150.00	13,482.24	1,962.86	10,000.00
Municipal Prosecutor's Office:					
Other Expenses	61,000.00	61,000.00	48,047.50	12,952.50	
New Jersey Public Employees Safety and Health	30,500.00	30,500.00	29,161.69	1,338.31	

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
PUBLIC WORKS					
Streets and Road Maintenance:					
Salaries and Wages	841,500.00	841,500.00	770,704.62	70,795.38	
Other Expenses	138,070.00	128,070.00	122,598.37	5,471.63	
Solid Waste Collection:					
Salaries and Wages	1,454,000.00	1,439,000.00	1,385,578.93	3,421.07	50,000.00
Other Expenses	43,575.00	48,575.00	48,052.77	522.23	
Buildings and Grounds:					
Salaries and Wages	1,395,500.00	1,395,500.00	1,376,994.62	3,505.38	15,000.00
Other Expenses	164,200.00	184,200.00	168,984.88	15,215.12	
Vehicle Maintenance:					
Salaries and Wages	709,000.00	709,000.00	684,112.19	4,887.81	20,000.00
Other Expenses	569,310.00	569,310.00	568,691.43	618.57	
Municipal Bus Service:					
Salaries and Wages	203,000.00	203,000.00	175,448.47	2,551.53	25,000.00
Other Expenses	4,200.00	4,200.00	3,698.74	501.26	
HEALTH AND HUMAN SERVICES					
Environmental Health Services:					
Salaries and Wages	4,000.00	4,000.00	3,128.40	871.60	
Other Expenses	1,200.00	1,200.00	830.10	369.90	
Animal Control Services:					
Salaries and Wages	212,500.00	212,500.00	184,748.63	2,751.37	25,000.00
Other Expenses	32,175.00	32,175.00	30,057.96	2,117.04	
Contribution To Social Services Agencies	5,000.00	5,000.00	5,000.00		
PARKS AND RECREATION					
Recreation Services and Programs:					
Salaries and Wages	318,000.00	338,500.00	338,412.99	87.01	
Other Expenses	40,358.00	40,358.00	32,813.97	7,544.03	
Beach and Boardwalk Operations:					
Salaries and Wages	40,000.00	23,500.00	23,313.63	186.37	
Other Expenses	1,800.00	1,030.00	913.65	116.35	
Celebration of Public Events:					
Other Expenses	36,000.00	36,000.00	33,507.93	2,492.07	
Municipal Court:					
Salaries and Wages	421,000.00	421,000.00	400,741.30	258.70	20,000.00
Other Expenses	22,100.00	22,100.00	21,677.13	422.87	
Public Defender:					
Other Expenses	25,000.00	41,000.00	37,956.00	3,044.00	

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

GENERAL APPROPRIATIONS Operations - Within "CAPS"	Original Budget	Balance After Modification	Paid or Charged	Reserved	Cancelled
UNCLASSIFIED					
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	330,000.00	330,000.00	231,226.88	28,773.12	70,000.00
Street Lighting	410,000.00	410,000.00	381,597.28	18,402.72	10,000.00
Telephone (excluding telephone acquisition)	180,000.00	180,000.00	152,630.92	17,369.08	10,000.00
Water	11,000.00	16,000.00	15,816.65	183.35	
Gas (natural or propane)	55,000.00	55,000.00	33,158.62	11,841.38	10,000.00
Telecommunications Costs	500.00	500.00	116.48	383.52	
Sewerage Processing and Disposal	11,000.00	11,000.00	9,413.68	1,586.32	
Gasoline	750,000.00	750,000.00	523,147.95	26,852.05	200,000.00
Landfill/Solid Waste Disposal Costs	1,240,000.00	1,240,000.00	1,182,031.50	2,968.50	55,000.00
Accumulated Leave Compensation	110,000.00	110,000.00	110,000.00		
Total Operations - Within "CAPS"	27,489,158.18	27,489,158.18	26,509,200.52	439,957.66	540,000.00
Detail:					
Salaries and Wages	16,563,750.00	16,553,750.00	16,243,183.80	125,566.20	185,000.00
Other Expenses	10,925,408.18	10,935,408.18	10,266,016.72	314,391.46	355,000.00
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"					
DEFERRED CHARGES					
Prior Year Bills:					
NJ Press Media Solutions - 2007	25.58	25.58	25.58		
NJ Press Media Solutions - 2008	151.21	151.21	151.21		
NJ Press Media Solutions - 2009	779.60	779.60	779.60		
NJ Press Media Solutions - 2010	398.58	398.58	398.58		
Causeway Ford - 2008	3,686.00	3,686.00	3,686.00		
Causeway Ford - 2010	5,906.55	5,906.55	5,401.55		505.00
STATUTORY EXPENDITURES					
Contribution To:					
Public Employees Retirement System	798,231.00	798,231.00	798,231.00		
Social Security System (O.A.S.I.)	1,275,000.00	1,275,000.00	1,173,102.70	1,897.30	100,000.00
Police and Firemen's Retirement System of NJ	1,266,134.00	1,266,134.00	1,266,134.00		
Defined Contribution Retirement Program	20,000.00	20,000.00	9,336.25	10,663.75	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	3,370,312.52	3,370,312.52	3,257,246.47	12,561.05	100,505.00
Total General Appropriations for Municipal Purposes - Within "CAPS"	30,859,470.70	30,859,470.70	29,766,446.99	452,518.71	640,505.00

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS Operations - Within "CAPS"					
Employee Group Health	269,955.00	269,955.00	93,948.69	11,006.31	165,000.00
Length of Service Award Program	95,000.00	95,000.00		95,000.00	
Recycling Tax	50,000.00	50,000.00	50,000.00		
Special Emergency - Superstorm Sandy		7,000,000.00	7,000,000.00		
Total Operations - Excluded From "CAPS"	<u>414,955.00</u>	<u>7,414,955.00</u>	<u>7,143,948.69</u>	<u>106,006.31</u>	<u>165,000.00</u>
Shared Service Agreements:					
Animal Control:					
Township of Long Beach:					
Salaries and Wages	17,600.00	17,600.00	17,600.00		
Borough of Beach Haven:					
Salaries and Wages	4,800.00	4,800.00	4,800.00		
Borough of Barnegat Light:					
Salaries and Wages	2,900.00	2,900.00	2,900.00		
Borough of Harvey Cedars:					
Salaries and Wages	3,200.00	3,200.00	3,200.00		
Construction:					
Township of Eagleswood					
Salaries and Wages	18,000.00	18,000.00	18,000.00		
Borough of Beach Haven:					
Salaries and Wages	50,000.00	50,000.00	50,000.00		
Borough of Surf City					
Salaries and Wages	30,000.00	30,000.00	30,000.00		
Borough of Harvey Cedars:					
Salaries and Wages	17,000.00	17,000.00	17,000.00		
Total Shared Service Agreements	<u>143,500.00</u>	<u>143,500.00</u>	<u>143,500.00</u>		

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
GENERAL APPROPRIATIONS					
Operations - Within "CAPS"					
PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES					
Recycling Tonnage Grant	47,674.65	47,674.65	47,674.65		
Ocean County Municipal Alliance	27,000.00	27,000.00	27,000.00		
Municipal Alliance - Local Match	6,750.00	6,750.00	6,750.00		
Clean Communities Program	58,789.24	58,789.24	58,789.24		
Local Match for Grants	5,000.00	5,000.00			5,000.00
Bulletproof Vest Partnership FY 2011	3,900.00	3,900.00	3,900.00		
Alcohol Education/Rehabilitation Grant	2,320.41	2,320.41	2,320.41		
Emergency Management Assistance Funding	5,000.00	5,000.00	5,000.00		
2011 Body Armor Replacement Fund	4,675.17	4,675.17	4,675.17		
2012 Body Armor Replacement Fund	4,703.16	4,703.16	4,703.16		
Click It or Ticket 2012 Seat Belt Mobilization	4,000.00	4,000.00	4,000.00		
Drive Sober or Get Pulled Over 2012 Statewide Crackdown	4,400.00	4,400.00	4,400.00		
Emergency Management Assistance Funding	12,098.80	12,098.80	12,098.80		
FY 2012 Community Development Block Grant	25,000.00	25,000.00	25,000.00		
Total Public and Private Programs Offset By Revenues	211,311.43	211,311.43	206,311.43	5,000.00	
Total Operations - Excluded From "CAPS"	769,766.43	7,769,766.43	7,493,760.12	106,006.31	170,000.00
Detail:					
Salaries and Wages	143,500.00	143,500.00	143,500.00		
Other Expenses	626,266.43	7,626,266.43	7,350,260.12	106,006.31	170,000.00
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund					
Total Capital Improvements - Excluded From "CAPS"					

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

GENERAL APPROPRIATIONS Operations - Within "CAPS"	Original Budget	Balance After Modification	Paid or Charged	Reserved	Cancelled
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Principal	3,995,000.00	3,995,000.00	3,995,000.00		
Interest on Bonds	2,083,300.85	2,083,300.85	2,083,300.85		218.11
Interest on Notes	95,000.00	95,000.00	94,781.89		
Green Acres Trust Loan Program:					
Loan Repayments for Principal and Interest	369,265.85	369,265.85	369,265.82		0.03
Total Municipal Debt Service - Excluded From "CAPS"	6,542,566.70	6,542,566.70	6,542,348.56		218.14
Deferred Charges - Municipal Excluded from "CAPS"					
Deferred Charges:					
Deferred Charges to Future Taxation - Unfunded:	1.00	1.00	1.00		
Ordinance 2011-20					
Total Deferred Charges - Municipal Excluded from "CAPS"	1.00	1.00	1.00		
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"	7,312,334.13	14,312,334.13	14,036,109.68	106,006.31	170,218.14
Subtotal General Appropriations	38,171,804.83	45,171,804.83	43,802,556.67	558,525.02	810,723.14
Reserve for Uncollected Taxes	1,658,445.76	1,658,445.76	1,658,445.76		
Total General Appropriations	\$ 39,830,250.59	\$ 46,830,250.59	\$ 45,461,002.43	\$ 558,525.02	\$ 810,723.14

Reference

A-2

A

Budget as Adopted
Added By N.J.S. 40A:4-87
Special Emergency Authorization

21-A

Analysis of Paid or Charged

Cash Disbursements 1-A
Encumbrances Payable 9-A
Reserve for Special Emergency - Superstorm Sandy 22-A
Reserve for:

Uncollected Taxes A-2
Grant Expenditures - Appropriated 18-A

\$ 37,962,741.69
1,518,188.12
4,115,315.43
1,658,445.76
206,311.43
\$ 45,461,002.43

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Animal Control Fund:				Animal Control Fund:			
Cash	1-B	\$ 46,719.22	\$ 41,468.42	Reserve for Animal Control Fund Expenditures	3-B	\$ 46,710.22	\$ 41,457.62
				Due To State of New Jersey Department of Health	4-B	9.00	10.80
						46,719.22	41,468.42
Trust - Other Fund:				Trust - Other Fund:			
Cash	1-B	7,143,799.23	8,709,207.06	Reserve for:			
				Landfill Tax Escrow	5-B	413,819.09	415,371.41
				Cash Surety Bonds	6-B	1,585,149.14	1,816,078.22
				Developers' Escrow Deposits	6-B	1,312,554.57	1,412,428.86
				Municipal Alliance Program Income	7-B	20,391.64	20,009.51
				Various Reserves	8-B	3,811,884.79	5,045,319.06
						7,143,799.23	8,709,207.06
Open Space Trust Fund:				Open Space Trust Fund:			
Cash and Cash Equivalents	1-B	1,464,708.85	1,362,795.18	Reserve for Open Space Fund Expenditures	9-B	1,464,708.85	1,362,795.18
						1,464,708.85	1,362,795.18
Length of Service Award Program				Length of Service Award Program			
Fund ("LOSAP") - Unaudited:				Fund ("LOSAP") - Unaudited:			
Investments	2-B	692,045.22	564,498.85	Miscellaneous Reserves	10-B	692,045.22	564,498.85
Total Assets		\$ 9,347,272.52	\$ 10,677,969.51	Total Liabilities and Reserves		\$ 9,347,272.52	\$ 10,677,969.51

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Cash and Cash Equivalents	1-C	\$ 6,025,918.58	\$ 7,106,798.34	Serial Bonds	6-C	\$ 58,926,000.00	\$ 55,081,000.00
Grants Receivable	3-C		19,389.00	Bond Anticipation Notes	7-C	6,117,700.00	11,559,200.00
				Encumbrances Payable	8-C	2,672,134.54	1,392,215.89
		6,025,918.58	7,126,187.34	Loans Payable	9-C	2,828,584.95	3,141,576.41
				Improvement Authorizations:			
				Funded	10-C	2,392,203.39	463,894.08
				Unfunded	10-C	1,653,729.54	4,254,984.87
				Capital Improvement Fund	11-C	43,778.99	219,028.99
				Reserve for:			
				Community Center Donations	14-C	250,000.00	
				Grants Receivable	3-C		19,389.00
				Debt Service	12-C	139,750.00	7,448.00
				Developer's Contributions	13-C	42,000.00	42,000.00
				Fund Balance	C-1	813,572.12	727,227.51
Deferred Charges To Future Taxation:				Total Liabilities, Reserves and Fund Balance		\$ 75,879,453.53	\$ 76,907,964.75
Funded	4-C	61,754,584.95	58,222,576.41				
Unfunded	5-C	8,098,950.00	11,559,201.00				
		69,853,534.95	69,781,777.41				
Total Assets		\$ 75,879,453.53	\$ 76,907,964.75				

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

STATEMENT OF CHANGES IN FUND BALANCE -
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	C		\$ 727,227.51
Increased By:			
Premium on Bond Sale	1-C	\$ 224,873.36	
Premium on Note Sale	1-C	<u>76,471.25</u>	
			<u>301,344.61</u>
			1,028,572.12
Decreased By:			
Anticipated Revenue in Current Fund	1-C		<u>215,000.00</u>
Balance, December 31, 2012	C		<u><u>\$ 813,572.12</u></u>

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities, Reserves and Fund Balances</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Operating Fund:				Operating Fund:			
				Liabilities:			
Cash and Cash Equivalents				Appropriation Reserves	D-4,9-D	\$ 81,750.52	\$ 40,277.16
Cash - Change Fund	1-D	\$ 1,638,933.42	\$ 682,859.29	Encumbrances Payable	10-D	17,232.11	16,351.79
	D	300.00	300.00	Accrued Interest on Bonds, Notes and Loans	11-D	715,118.19	714,840.13
				Prepaid Revenue	12-D	26,224.37	103,346.17
				Due to Water/Sewer Capital Fund	D	1,210,000.00	
		1,639,233.42	683,159.29			2,050,325.19	874,815.25
Receivables With Full Reserves:				Reserve for Receivables	D	312,138.70	239,801.19
Consumer Accounts Receivable	4-D	297,188.20	239,801.19	Fund Balance	D-1	78.12	78.12
Water-Sewer Liens Receivable	5-D	14,950.50	239,801.19				
		312,138.70					
Deferred Charges:							
Deficit in Operations	3-D	411,169.89	191,734.08				
Total Operating Fund		2,362,542.01	1,114,694.56	Total Operating Fund		2,362,542.01	1,114,694.56
				Capital Fund:			
Cash and Cash Equivalents	1-D			Serial Bonds	13-D	36,561,000.00	34,901,000.00
Fixed Capital	6-D	2,198,759.64	3,128,127.85	Loans Payable	14-D	27,102,156.11	29,288,808.68
Fixed Capital Authorized and Uncompleted	7-D	142,377,522.59	141,014,421.51	Bond Anticipation Notes	15-D	2,308,800.00	5,156,300.00
Due From N.J.E.I.T.	8-D	3,523,596.97	4,045,982.05	Improvement Authorizations:			
Due From Water/Sewer Operating Fund	D		416,171.00	Funded	16-D	749,028.34	604,326.81
				Unfunded	16-D	1,165,827.84	1,643,236.25
				Contracts/Encumbrances Payable	17-D	1,132,755.28	856,074.79
				Capital Improvement Fund	18-D	10,000.00	10,000.00
				Down Payments on Improvements	19-D	2,625.00	65,125.00
				Reserve for:			
				Deferred Amortization	20-D	68,112.13	40,000.00
				Debt Service	21-D	205,744.29	78,975.60
				Amortization	22-D	79,861,051.32	75,674,294.88
				Fund Balance	D-2	142,778.89	286,560.40
		1,210,000.00					
Total Capital Fund		149,309,879.20	148,604,702.41	Total Capital Fund		149,309,879.20	148,604,702.41
Total Assets		\$ 151,672,421.21	\$ 149,719,396.97	Total Liabilities, Reserves and Fund Balances		\$ 151,672,421.21	\$ 149,719,396.97

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN OPERATING FUND BALANCE
REGULATORY ACCOUNTING BASIS

Year ended December 31,

	<u>Reference</u>	<u>2012</u>	<u>2011</u>
Revenue and Other Income Realized:			
Surplus Anticipated			\$ 639,200.00
Water/Sewer User Fees	D-3	\$ 8,602,800.00	8,602,801.01
Miscellaneous	D-3	1,624,027.74	2,254,922.90
Interlocal Agreement - Boro of Ship Bottom	D-3	87,975.00	84,999.96
Capital Surplus	D-3	286,560.40	805,733.08
Reserve to Pay Bonds	D-3	78,975.60	20,066.92
Annual Surcharge			2,189,300.45
Water/Sewer Rate Increases	D-3	2,585,906.80	
Miscellaneous Revenue Not Anticipated	D-3	3,818.61	21,487.92
Other Credits To Income:			
Appropriation Reserves Lapsed	9-D	<u>32,657.15</u>	<u>49,344.90</u>
Total Revenue		<u>13,302,721.30</u>	<u>14,667,857.14</u>
Expenditures:			
Operating	D-4	6,874,000.00	6,638,100.00
Debt Service	D-4	6,220,841.19	7,794,591.22
Deferred Charges	D-4	192,550.08	
Statutory Expenditures	D-4	<u>426,499.92</u>	<u>426,900.00</u>
Total Expenditures		<u>13,713,891.19</u>	<u>14,859,591.22</u>
(Deficit) in Revenue		(411,169.89)	(191,734.08)
Fund Balance, January 1	D	78.12	639,278.12
Deficit in Operations	3-D	<u>411,169.89</u>	<u>191,734.08</u>
		78.12	639,278.12
Fund Balance Utilized		<u> </u>	<u>639,200.00</u>
Fund Balance, December 31	D	<u><u>\$ 78.12</u></u>	<u><u>\$ 78.12</u></u>

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

STATEMENT OF CHANGES IN CAPITAL FUND BALANCE
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 286,560.40
Increased By:		
Premium on Sale of Bonds and Notes	1-D	<u>142,778.89</u>
		429,339.29
Decreased By:		
Anticipated in Budget	1-D	<u>286,560.40</u>
Balance, December 31, 2012	D	<u><u>\$ 142,778.89</u></u>

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Water/Sewer User Fees	D-1	\$ 8,602,800.00	\$ 8,602,800.00	
Miscellaneous	D-1	2,254,689.00	1,624,027.74	\$ (630,661.26)
Interlocal Agreement - Ship Bottom	D-1	87,975.00	87,975.00	
Capital Surplus	D-1	286,560.40	286,560.40	
Reserve to Pay Bonds	D-1	78,975.60	78,975.60	
Water/Sewer Rate Increases	D-1	2,688,000.00	2,585,906.80	(102,093.20)
Miscellaneous Revenue Not Anticipated	D-1		3,818.61	3,818.61
	D-4	<u>\$ 13,999,000.00</u>	<u>\$ 13,270,064.15</u>	<u>\$ (728,935.85)</u>
Cash Receipts	1-D		\$ 13,166,717.98	
Prepaid Revenue Applied	4-D, 12-D		<u>103,346.17</u>	
			<u>\$ 13,270,064.15</u>	
Analysis of Miscellaneous:				
Connection Fees			\$ 1,340,201.86	
Annual Surcharge			49,168.32	
Interest on Investments			6,027.04	
Interest on Delinquent Accounts			41,049.88	
Lease Income			<u>187,580.64</u>	
	D-3		<u>\$ 1,624,027.74</u>	

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY OPERATING FUND
STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2012

	Appropriations		Expended	
	Budget	Budget After Modification	Paid or Charged	Reserved Cancelled
Operating:				
Salaries and Wages	\$ 1,985,000.00	\$ 2,006,500.00	\$ 2,006,297.87	\$ 202.13
Other Expenses	5,009,000.00	4,987,500.00	4,789,333.20	78,166.80
Total Operating	6,994,000.00	6,994,000.00	6,795,631.07	78,368.93
Debt Service:				
Payment of Bond Principal	2,375,000.00	2,375,000.00	2,375,000.00	
Interest on Bonds	1,439,750.00	1,439,750.00	1,388,730.35	51,019.65
Interest on Notes	50,000.00	50,000.00	45,460.52	4,539.48
Green Trust Loan Program:				
Loan Repayment for Principal and Interest	2,515,200.00	2,515,200.00	2,411,650.32	103,549.68
Total Debt Service	6,379,950.00	6,379,950.00	6,220,841.19	159,108.81
Deferred Charges:				
Prior Year Bills - NJ Press Media Solutions (2009)	816.00	816.00	816.00	
Deficit in Operations	191,734.08	191,734.08	191,734.08	
Total Deferred Charges	192,550.08	192,550.08	192,550.08	
Statutory Expenditures:				
Public Employees' Retirement System	278,257.00	278,257.00	278,257.00	
Social Security System	151,842.92	151,842.92	142,461.33	6,000.00
Unemployment Compensation Insurance	2,400.00	2,400.00	2,400.00	
Total Statutory Expenditures	432,499.92	432,499.92	423,118.33	3,381.59
Total Appropriations	\$ 13,999,000.00	\$ 13,999,000.00	\$ 13,632,140.67	\$ 81,750.52
				\$ 285,108.81
Reference	D-3	D-3	D-1	D/D-1
Cash Disbursements			\$ 11,399,441.86	
Encumbrances Payable			17,232.11	
Accrued Interest Payable			2,023,732.62	
Deferred Charge - Deficit in Operations			191,734.08	
			\$ 13,632,140.67	

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2012 and 2011

<u>Assets</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>	<u>Liabilities</u>	<u>Reference</u>	<u>2012</u>	<u>2011</u>
General Fixed Assets:							
Land	1-E	\$ 20,152,797.61	\$ 20,152,797.61				
Buildings and Improvements	1-E	12,574,842.35	12,574,842.35				
Machinery and Equipment	1-E	18,482,260.93	16,630,088.07	Investment in Fixed Assets	1-E	\$ 51,209,900.89	\$ 49,357,728.03
Total Assets		<u>\$ 51,209,900.89</u>	<u>\$ 49,357,728.03</u>	Total Liabilities		<u>\$ 51,209,900.89</u>	<u>\$ 49,357,728.03</u>

See accompanying notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

The financial statements of the Township of Stafford, County of Ocean, New Jersey ("Township") include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Township, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above entities can be obtained by contacting the Treasurer of the respective entity.

B. Description of Funds

GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with GAAP.

The accounting policies of the Township conform to the accounting principles and practices applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The accompanying financial statements are presented in the format prescribed by the State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and are a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

Current Fund - is used to account for all revenues and expenditures applicable to the general operations of Township departments.

Federal and State Grant Fund – accounts for receipts and disbursements of Federal and State grants.

Trust Funds - are used to account for assets held by the Township in a trustee capacity or as an agent for individuals and other governmental agencies. Funds held by the Township which have restrictions placed on the use of such funds are recorded in the Trust Fund.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

General Capital Fund - is used to account for financial resources to be used for the acquisition of general capital facilities. The major resources are derived from the sale of serial bonds and bond anticipation notes.

Water/Sewer Utility Operating and Capital Funds - are used to account for Water/Sewer operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the Water/Sewer Utility to the general public be financed through user fees. Operations related to the acquisition of Water/Sewer capital facilities are recorded within the Water/Sewer Utility Capital Fund.

General Fixed Assets Account Group - The Township has complied with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services. Technical Accounting Directive No. 85-2 utilizes the following accounting policies:

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation is provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital is not accounted for separately.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services differ in certain respects from GAAP applicable to local government units. The more significant differences follow.

A modified accrual basis of accounting is followed by the Township. Modifications from the accrual basis follow:

Revenues

Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and federal grants for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable.

Expenditures

- (a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase;
- (b) Prepaid expenses are not recorded;
- (c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid;
- (d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Township's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

Appropriation reserves are recorded at December 31 for unexpended appropriation balances except for amounts which, according to state statutes, may be cancelled by the governing body. The appropriation reserves are available to satisfy specific claims, commitments or contracts incurred during the preceding fiscal year. At the end of the succeeding fiscal year, the remaining unexpended balances lapse to fund balance through other credits to revenue.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Had the Township's financial statements been prepared under generally accepted accounting principles, the encumbrance method of accounting would be followed for expenditures presently reflected on a paid or charged basis, appropriation reserves would not be recorded, revenues susceptible to accrual would have been reflected without offsetting reserves and inventories would not be reflected as expenditures at the time of purchase.

Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

D. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services in accordance with N.J.S.A. 40A:4 et seq.

E. Grants

Current Fund - State and federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs.

Trust Fund - State and federal grants and assistance awards are dedicated by rider in the Trust Fund. A receivable and corresponding spending reserve are recorded when the grant is awarded.

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations or are established as receivables with an offsetting reserve.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

F. Assessment and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Local Unit, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 20, with a completed duplicate of the tax rolls to be delivered to the Local Unit Tax Collector on or before June 3. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

Taxes are levied on an annual basis and are due quarterly on February 1, May 1, August 1, and November 1. Any taxes not paid as of December 31 are subject to tax sale and lien in the subsequent year, with the exception of bankruptcies. The date of tax sale is at the discretion of the tax collector.

G. Foreclosed Property

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved.

H. Interfund Receivables

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

I. Deferred Charges to Future Taxation Funded and Unfunded

Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the Current Fund budget. As funds are raised, the deferred charges are reduced.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

Substantially, all Township employees participate in the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The plans are cost-sharing multiple-employer defined benefit plans and, as such, do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Township is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Township annually at an actuarially determinable rate for its required contribution. The current rate is 6.64% for PERS and 10.0% for PFRS of annual covered payroll.

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2012	\$ 1,076,488.00	\$ 1,266,134.00
2011	1,098,078.00	1,684,722.00
2010	906,069.00	1,356,512.00

K. Volunteer Length of Service Award Plan

The Township has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Township's volunteer First Aid squad. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,150.00 per year of active emergency service, commencing with the year 2005.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2005.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

K. Volunteer Length of Service Award Plan (continued)

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall not be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Estimated Cost - The estimated cost of the program to the Township has been calculated to be approximately \$78,200.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members at the time the program was established).

L. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits, the State of New Jersey Cash Management Fund and government money market mutual funds through registered broker/dealers and banks. The New Jersey Governmental Unit Deposit Protection Act ("GUDPA") requires public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the Township, or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.
- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

Repurchase agreements (15.1(a) (8)) must comply with the following conditions:

- (a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.
- (b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.
- (c) The maturity of the agreement is not more than 30 days.
- (d) The underlying securities are purchased through a GUDPA bank.
- (e) A master repurchase agreement providing for the custody and security of collateral is executed.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments (continued)

Local Government Investment Pools ("LGIP") (15.1(e) (2)) are subject to the following requirements:

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).
- (b) It is rated in the highest category by a nationally recognized statistical rating organization.
- (c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

Every local unit must have a Cash Management Plan ("Plan"); the Plan is subject to audit. In addition, when the Plan permits investments for more than one year, the investment must approximate the prospective use of funds. This primarily relates to U.S. securities and local bond issue purchases. The law also requires that cash management plans provide for the CFO to give the governing body a monthly report that summarizes:

- (a) All investments made or redeemed over the past month.
- (b) Each organization holding local unit funds.
- (c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.
- (d) Other information that may be required by the governing body.

The Township is permitted to invest public funds in accordance with N.J.S.A. 40A:5-15.1. These investments include bonds or other obligations of the United States or obligations guaranteed by the United States, Government Money Market Mutual Funds, bond or other obligations of the Township or bonds or other obligations of the school district, local government investment pools, and agreements for the repurchase of fully-collateralized securities, if purchased in accordance with N.J.S.A. 40A:5-15.1. The Township is also permitted to invest Length of Service Award Program ("LOSAP") funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. These investments include interest-bearing accounts or securities in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

1. Summary of Significant Accounting Policies (continued)

M. Inventories of Supplies

The costs of inventories of supplies for all funds are recorded as expenditures at the time the individual items are purchased. The costs of inventories are not included on the various balance sheets.

N. Landfill Tax Escrow - Trust Fund

The Landfill Tax Escrow account was created in accordance with the provisions of the Sanitary Landfill Facility Closure and Contingency Fund Act P.L. 1981, C306. The account is overseen by the State of New Jersey, Department of Environmental Protection, Division of Solid and Hazardous Waste. The funds are to be used exclusively for the closure and post-closure care of the Township landfill in accordance with the approved Closure and Post-Closure Plan. Expenditures can only be made from the Fund upon the approval of the Department of Environmental Protection.

O. Reserve for Recreation Assessment - Trust Fund

The Township charges developers a fee created by ordinance to fund current and future recreation facilities. The funds are held in the Trust Fund and may only be utilized through appropriation in the Current Fund budget or by creation of a capital ordinance.

P. Reserve for Storm Water Management Assessment - Trust Fund

The Township charges developers a fee created by ordinance for the maintenance of the underground storm water discharge system. These funds are held within the Township's Trust Fund and may only be utilized by a budget appropriation in the Current Fund or by capital ordinance.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

2. Deposits and Investments

Deposits

The carrying amount of the Township's cash and cash equivalents at December 31, 2012 was \$31,217,149.22 and the bank balance was \$31,777,699.63. Of the bank balance, \$1,242,691.96 was covered by federal depository insurance, \$8,941.70 was on deposit with the New Jersey Cash Management Fund, \$278,357.20 was on deposit with MBIA Municipal Investors Services Corporation and \$3,093,024.04 was on deposit with the New Jersey Asset and Rebate Management Program, both being local government investment pools which invest in repurchase agreements collateralized by U.S. Securities, U.S. Government Agency Discount Notes and U.S. Government Agency Securities, and the remaining \$27,154,684.73 was covered under the unit certificate of eligibility as required by New Jersey Statutes.

<u>Depository Account</u>	<u>2012</u>	<u>Bank Balance</u> <u>2011</u>
Insured:		
FDIC	\$ 1,242,691.96	\$ 1,171,235.46
Collateralized:		
GUDPA	<u>27,154,684.73</u>	<u>22,825,436.12</u>
	<u>\$28,397,376.69</u>	<u>\$23,996,671.58</u>

New Jersey Cash Management Fund/MBIA/NJARM

All investments in the Fund are governed by the regulations of the Investment Council which prescribes standards designed to insure the quality of investments and to minimize the risks related to investments. To date, the Fund has never defaulted on principal or interest on any short term security held by its participants. Further, a reserve is being accumulated as additional protection for other than State participants. Finally, the Council monitors eligible securities on a regular basis. As of December 31, 2012, the Township had \$8,941.70 on deposit with the New Jersey Cash Management Fund, \$278,357.20 on deposit with Municipal Investors Services Corporation ("MBIA"), and \$3,093,024.04 on deposit with the New Jersey Asset Management Program ("NJARM"). Both the MBIA and NJARM are local investment pools which invest in repurchase agreements collateralized by U.S. Securities, U.S. Government Agency Discount Notes, and U.S. Government Agency Securities. The deposit with MBIA is available for withdrawal upon notice given by 11:00am EST on each business day and is accordingly classified as a cash equivalent.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk. As of December 31, 2012, the Township's bank balance was not exposed to custodial credit risk.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

2. Deposits and Investments (continued)

Investments

As of December 31, 2012 and 2011, the Township had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Book Value</u>
2012:		
LOSAP	<u>\$ 692,045.22</u>	<u>\$ 692,045.22</u>
2011:		
LOSAP	<u>\$ 564,498.85</u>	<u>\$ 564,498.85</u>

Interest Rate Risk

LOSAP investment options are at the discretion of each individual participant and not the Township.

Credit Risk

State law limits investments as noted above.

The fair value of the above-listed investments was based on quoted market prices.

During the year, the Township had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Township.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

3. Taxes, Water/Sewer Utility Receivables

Taxes

Taxes Receivable as of December 31, 2012 consist of the following:

<u>2012</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 913,609.34	\$ 33,903.54	\$ 118,833.01	\$ 1,066,345.89

In 2012, the Township collected \$848,940.32 from Delinquent Taxes and Liens, which represented 89.22% of the Delinquent Tax Receivable at December 31, 2011.

Taxes Receivable as of December 31, 2011 consist of the following:

<u>2011</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 881,799.20	\$ 8,711.24	\$ 61,020.81	\$ 951,531.25

In 2011, the Township collected \$828,900.03 from Delinquent Taxes and Liens, which represented 93.51% of the Delinquent Tax Receivable at December 31, 2010.

Water/Sewer Utility

Water/Sewer Rents Receivable as of December 31, 2012 consist of the following:

<u>2012</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 294,706.66	\$ 2,481.54	\$14,950.50	\$ 312,138.70

In 2012, the Township collected \$222,369.15 from Water/Sewer Rents, which represented 92.73% of the Water/Sewer Rents Receivable at December 31, 2011.

Water/Sewer Rents Receivable as of December 31, 2011 consist of the following:

<u>2011</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 227,927.83	\$ 11,873.36	\$ -	\$ 239,801.19

In 2011, the Township collected \$145,320.01 from Water/Sewer Rents, which represented 80.00% of the Water/Sewer Rents Receivable at December 31, 2010.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

4. Fixed Assets and Fixed Capital

The following is a summary of changes in the General Fixed Assets Account Group for the years 2012 and 2011.

<u>2012</u>	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2012</u>
Land	\$ 20,152,797.61	\$ -	\$ -	\$ 20,152,797.61
Buildings and Improvements	12,574,842.35	-	-	12,574,842.35
Machinery and Equipment	<u>16,630,088.07</u>	<u>1,852,172.86</u>	<u>-</u>	<u>18,482,260.93</u>
Total	<u>\$ 49,357,728.03</u>	<u>\$ 1,852,172.86</u>	<u>\$ -</u>	<u>\$ 51,209,900.89</u>
<u>2011</u>	Balance, December 31, <u>2010</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2011</u>
Land	\$ 20,152,797.61	\$ -	\$ -	\$ 20,152,797.61
Buildings and Improvements	12,541,421.85	33,420.50	-	12,574,842.35
Machinery and Equipment	<u>16,910,683.37</u>	<u>668,865.30</u>	<u>949,460.60</u>	<u>16,630,088.07</u>
Total	<u>\$ 49,604,902.83</u>	<u>\$ 702,285.80</u>	<u>\$ 949,460.60</u>	<u>\$ 49,357,728.03</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

4. Fixed Assets and Fixed Capital (continued)

The following is a summary of changes in the Water/Sewer Utility Fixed Capital for the years 2012 and 2011.

<u>2012</u>	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2012</u>
Land	\$ 3,222,734.82	\$ -	\$ -	\$ 3,222,734.82
Buildings and Improvements	3,201,100.59	-	-	3,201,100.59
Improvements Other Than Buildings	130,393,246.32	1,249,977.16	-	131,643,223.48
Machinery and Equipment	3,590,446.88	113,123.92	-	3,703,570.80
Furniture and Fixtures	240,006.00	-	-	240,006.00
Soft Costs	<u>366,886.90</u>	<u>-</u>	<u>366,886.90</u>	
Total	<u>\$141,014,421.51</u>	<u>\$ 1,363,101.08</u>	<u>\$ -</u>	<u>\$ 142,377,522.59</u>
<u>2011</u>	Balance, December 31, <u>2010</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2011</u>
Land	\$ 3,222,734.82	\$ -	\$ -	\$ 3,222,734.82
Buildings and Improvements	3,201,100.59	-	-	3,201,100.59
Improvements Other Than Buildings	125,186,105.62	5,207,140.70	-	130,393,246.32
Machinery and Equipment	3,503,537.17	86,909.71	-	3,590,446.88
Furniture and Fixtures	240,006.00	-	-	240,006.00
Soft Costs	<u>333,024.33</u>	<u>33,862.57</u>	<u>-</u>	<u>366,886.90</u>
Total	<u>\$135,686,508.53</u>	<u>\$ 5,327,912.98</u>	<u>\$ -</u>	<u>\$141,014,421.51</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt

The Township's long-term debt consisted of the following at December 31, 2012:

General Capital Bonds

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2012</u>
2003 General Obligation Refunding Bonds	04/01/03	\$ 985,000.00	6.650%	\$ 985,000.00
2004 General Improvement Refunding Bonds	05/01/04	5,745,000.00	4.000-4.125%	2,175,000.00
2005 General Improvement Bonds	07/01/05	11,646,000.00	4.000-5.000%	6,951,000.00
2005 General Obligation Refunding Bonds	09/01/05	14,225,000.00	4.000-4.500%	11,620,000.00
2008 General Improvement Bonds	08/26/08	19,200,000.00	4.000-4.500%	16,330,000.00
2011 General Improvement Refunding Bonds	01/27/11	5,685,000.00	3.000-4.000%	4,285,000.00
2011 General Improvement Bonds	05/24/11	8,850,000.00	3.000-4.500%	8,615,000.00
2012 General Improvement Bonds	05/22/12	7,965,000.00	2.000-3.500%	<u>7,965,000.00</u>
				<u>\$ 58,926,000.00</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

The Township has received loans from the State of New Jersey, Department of Environmental Protection under the Green Acres Trust Program as follows:

		<u>Original Loan Amount</u>	<u>Annual Payment</u>	<u>Final Payment</u>
1994	Green Acres Trust	\$ 505,400.00	\$ 16,409.35	03/24/13
1995	Green Acres Trust	348,000.00	21,639.75	12/10/14
2000	Green Acres Trust	840,000.00	52,233.88	04/30/19
2001	Green Acres Trust	500,000.00	31,091.59	07/20/21
2001	Green Acres Trust	250,000.00	15,545.79	07/20/21
2001	Green Acres Trust	1,500,000.00	93,274.78	02/04/21
2001	Green Acres Trust	380,000.00	23,629.62	01/20/21
2001	Green Acres Trust	70,444.22	4,380.45	11/17/20
2002	Green Acres Trust	500,000.00	32,468.04	06/25/21
2002	Green Acres Trust	500,000.00	31,091.60	06/25/22
2006	Green Acres Trust	<u>500,000.00</u>	<u>31,091.60</u>	08/27/26
		<u>\$ 5,893,844.22</u>	<u>\$ 352,856.45</u>	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

Debt service requirements for bonds as of December 31 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 4,440,000.00	\$ 2,336,336.69	\$ 6,776,336.69
2014	4,580,000.00	2,125,807.52	6,705,807.52
2015	4,715,000.00	1,949,645.02	6,664,645.02
2016	4,845,000.00	1,760,745.02	6,605,745.02
2017	4,495,000.00	1,564,551.26	6,059,551.26
2018-22	17,601,000.00	5,554,737.55	23,155,737.55
2023-27	13,260,000.00	2,481,284.39	15,741,284.39
2028-32	4,820,000.00	417,293.75	5,237,293.75
2033	<u>170,000.00</u>	<u>5,652.50</u>	<u>175,652.50</u>
	<u>\$ 58,926,000.00</u>	<u>\$ 18,196,053.70</u>	<u>\$ 77,122,053.70</u>

General Capital Loans

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 302,873.25	\$ 49,983.22	\$ 352,856.47
2014	292,387.54	44,059.56	336,447.10
2015	276,516.58	38,290.76	314,807.34
2016	282,074.55	32,732.79	314,807.34
2017	287,744.27	27,063.11	314,807.38
2018-22	1,018,037.34	54,859.39	1,072,896.73
2023-26	<u>118,951.42</u>	<u>5,414.93</u>	<u>124,366.35</u>
	<u>\$ 2,578,584.95</u>	<u>\$ 252,403.76</u>	<u>\$ 2,830,988.71</u>

In addition to the above capital loans, the Township has a loan for \$250,000.00 for which the final amortization schedule has not been prepared.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

Water and Sewer Utility Bonds

	<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2012</u>
2005	Water and Sewer Bonds	07/01/05	\$ 10,151,000.00	3.000-5.000%	\$ 8,011,000.00
2008	Water and Sewer Bonds	08/26/08	12,800,000.00	4.000-4.500%	10,970,000.00
2009	Water and Sewer Bonds	03/12/09	9,345,000.00	2.500-5.000%	5,325,000.00
2009	Water and Sewer Bonds	04/28/09	2,890,000.00	2.000-5.000%	1,265,000.00
2011	Water and Sewer Bonds	01/27/11	1,440,000.00	3.000-4.000%	1,220,000.00
2011	Water and Sewer Bonds	05/24/11	5,900,000.00	3.000-4.500%	5,735,000.00
2012	Water and Sewer Bonds	05/22/12	4,035,000.00	2.000-3.500%	<u>4,035,000.00</u>
					<u>\$ 36,561,000.00</u>

The Township has Water and Sewer Loans outstanding for the following programs:

<u>Program</u>	<u>Original Issue</u>	<u>Final Payment</u>
NJ Environmental Infrastructure Trust Loan	\$ 2,185,000.00	06/01/20
NJ Environmental Infrastructure Fund Loan	2,183,651.00	06/01/20
NJ Environmental Infrastructure Trust Loan	5,295,000.00	08/01/25
NJ Environmental Infrastructure Fund Loan	4,895,597.00	08/01/24
NJ Environmental Infrastructure Trust Loan	3,075,000.00	08/01/26
NJ Environmental Infrastructure Fund Loan	3,026,741.00	08/01/24
NJ Environmental Infrastructure Trust Loan	4,425,000.00	08/01/27
NJ Environmental Infrastructure Fund Loan	4,361,085.00	08/01/24
NJ Environmental Infrastructure Trust Loan	2,295,000.00	08/01/28
NJ Environmental Infrastructure Fund Loan	2,263,923.00	08/01/28
NJ Environmental Infrastructure Trust Loan	100,180.18	08/01/29
NJ Environmental Infrastructure Fund Loan	288,693.00	08/01/29
NJ Environmental Infrastructure Trust Loan	1,405,000.00	08/01/29
NJ Environmental Infrastructure Fund Loan	<u>4,221,645.00</u>	08/01/29
	<u>\$40,021,515.18</u>	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

Debt service requirements for bonds as of December 31 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 2,570,000.00	\$ 1,385,414.73	\$ 3,955,414.73
2014	2,420,000.00	1,279,406.26	3,699,406.26
2015	2,025,000.00	1,205,068.76	3,230,068.76
2016	2,090,000.00	1,129,543.76	3,219,543.76
2017	2,165,000.00	1,051,112.50	3,216,112.50
2018-22	10,895,000.00	4,064,468.76	14,959,468.76
2023-27	9,335,000.00	1,981,656.28	11,316,656.28
2028-32	<u>5,061,000.00</u>	<u>345,265.00</u>	<u>5,406,265.00</u>
	<u>\$ 36,561,000.00</u>	<u>\$ 12,441,936.05</u>	<u>\$ 49,002,936.05</u>

Water and Sewer Loans

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,899,865.90	\$ 613,448.74	\$ 2,513,314.64
2014	1,956,031.91	575,592.76	2,531,624.67
2015	1,994,467.81	535,218.66	2,529,686.47
2016	2,035,009.59	492,732.40	2,527,741.99
2017	2,079,070.41	448,103.90	2,527,174.31
2018-22	10,467,806.79	1,542,648.59	12,010,455.38
2023-27	6,085,576.83	429,660.30	6,515,237.13
2028-29	<u>584,326.87</u>	<u>21,650.00</u>	<u>605,976.87</u>
	<u>\$ 27,102,156.11</u>	<u>\$ 4,659,055.35</u>	<u>\$ 31,761,211.46</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

Changes in Outstanding Long-Term Debt

Transactions for the year ended December 31, 2012 are summarized as follows:

	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Deductions</u>	Balance, December 31, <u>2012</u>
<u>General Capital Fund</u>				
Bonds Payable	\$ 55,081,000.00	\$ 7,965,000.00	\$ 4,120,000.00	\$ 58,926,000.00
Loans Payable	<u>3,141,576.41</u>	<u>-</u>	<u>312,991.46</u>	<u>2,828,584.95</u>
	<u>\$ 58,222,576.41</u>	<u>\$ 7,965,000.00</u>	<u>\$ 4,432,991.46</u>	<u>\$ 61,754,584.95</u>
 <u>Water/Sewer Utility</u> <u>Capital Fund</u>				
Bonds Payable	\$ 34,901,000.00	\$ 4,035,000.00	\$ 2,375,000.00	\$ 36,561,000.00
Loans Payable	<u>29,288,808.68</u>	<u>-</u>	<u>2,186,652.57</u>	<u>27,102,156.11</u>
	<u>\$ 64,189,808.68</u>	<u>\$ 4,035,000.00</u>	<u>\$ 4,561,652.57</u>	<u>\$ 63,663,156.11</u>
Totals	<u>\$122,412,385.09</u>	<u>\$12,000,000.00</u>	<u>\$ 8,994,644.03</u>	<u>\$ 125,417,741.06</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

Summary of Municipal Debt (Excluding Current
and Operating Debt and Type I School Debt)

<u>Issued</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General:			
Bonds, Notes and Loans	\$ 67,872,284.95	\$ 69,781,776.41	\$ 70,634,400.71
Water/Sewer Utility Fund	<u>65,971,956.11</u>	<u>69,346,108.68</u>	<u>74,040,011.78</u>
	133,844,241.06	139,127,885.09	144,674,412.49
Less: Funds to Pay Bonds, Notes and Loans	<u>1,124,750.00</u>	<u>992,448.00</u>	<u>8,553,515.92</u>
Net Debt Issued	<u>132,719,491.06</u>	<u>138,135,437.09</u>	<u>136,120,896.57</u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	1,981,250.00	1.00	8,523,850.00
Water/Sewer Utility Fund	<u>0.00</u>	<u>0.00</u>	<u>12,200.00</u>
Total Authorized But Not Issued	<u>1,981,250.00</u>	<u>1.00</u>	<u>8,536,050.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 134,700,741.06</u>	<u>\$ 138,135,438.09</u>	<u>\$ 144,656,946.57</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

5. Long-Term Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.62%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional District School Debt	\$ 1,537,866.28	\$ 1,537,866.28	\$ -
Local District School Debt	17,115,274.47	17,115,274.47	-
Water/Sewer Utility	65,971,956.11	61,152,161.20	4,819,794.91
General Debt	<u>69,853,534.95</u>	<u>1,124,750.00</u>	<u>68,728,784.95</u>
	<u>\$ 154,478,631.81</u>	<u>\$ 80,930,051.95</u>	<u>\$ 73,548,579.86</u>

Net Debt \$ 73,548,579.86 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$ 4,538,367,638 = 1.62%.

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3.5% of Equalized Valuation Basis (Municipal)	\$ 158,842,867.33
Less: Net Debt	<u>73,548,579.86</u>
Remaining Borrowing Power	<u>\$ 85,294,287.47</u>

Calculation of "Self-Liquidating Purpose" - Water/Sewer Utility per N.J.S. 40A:2-45

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 13,270,064.15
Deductions:	
Operating and Maintenance Costs	\$ 7,300,499.92
Debt Service per Water/Sewer Account	<u>6,220,841.19</u>
	<u>13,521,341.11</u>
Deficit in Revenue	<u>\$ (251,276.96)</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

6. Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

On December 31, 2012, the Township's outstanding bond anticipation notes were as follows:

<u>General Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Improvements to Various Parks Construction of Vehicle Wash Facility	05/22/12	05/21/13	\$ 100,000.00	1.5000%
Police Radio Upgrade – Phase 2	05/22/12	05/21/13	355,100.00	1.5000%
Acquisition of Police Equipment	05/22/12	05/21/13	327,027.00	1.5000%
Acquisition of Computer Equipment	05/22/12	05/21/13	56,468.00	1.5000%
Improvements to Ambulances	05/22/12	05/21/13	65,930.00	1.5000%
Improvements to Ambulances	05/22/12	05/21/13	142,500.00	1.5000%
Improvements to Municipal Buildings	05/22/12	05/21/13	57,000.00	1.5000%
Acquisition of DPW Equipment	05/22/12	05/21/13	31,350.00	1.5000%
Various Roadway Improvements	05/22/12	05/21/13	715,825.00	1.5000%
Acquisition of DPW Equipment	05/22/12	05/21/13	1,350,000.00	1.5000%
Various Roadway Improvements	05/22/12	05/21/13	897,750.00	1.5000%
Purchase of PD Equipment	05/22/12	05/21/13	1,045,000.00	1.5000%
Township Radio System Upgrade	05/22/12	05/21/13	95,000.00	1.5000%
Purchase of Computer Equipment	05/22/12	05/21/13	736,250.00	1.5000%
Various Improvements to Parks	05/22/12	05/21/13	95,000.00	1.5000%
			<u>47,500.00</u>	1.5000%
			<u>\$ 6,117,700.00</u>	

<u>Water/Sewer Utility Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Various Water/Sewer Improvements	05/22/12	05/21/13	\$ 755,250.00	1.5000%
Purchase of Various W/S Equipment	05/22/12	05/21/13	432,250.00	1.5000%
Route 9/Oak Avenue Water Main Loop	05/22/12	05/21/13	2,200.00	1.5000%
Various Water System Improvements	05/22/12	05/21/13	320,000.00	1.5000%
Various Water Main Improvements	05/22/12	05/21/13	<u>799,100.00</u>	1.5000%
			<u>\$ 2,308,800.00</u>	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

Changes in Outstanding Short-Term Debt

Transactions for the year ended December 31, 2012 are summarized as follows:

	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Deductions</u>	Balance, December 31, <u>2012</u>
General Capital Fund	\$11,559,200.00	\$2,973,500.00	\$ 8,415,000.00	\$ 6,117,700.00
Water/Sewer Utility Fund	<u>5,156,300.00</u>	<u>1,187,500.00</u>	<u>4,035,000.00</u>	<u>2,308,800.00</u>
	<u>\$16,715,500.00</u>	<u>\$4,161,000.00</u>	<u>\$12,450,000.00</u>	<u>\$ 8,426,500.00</u>

7. Bonds and Notes Authorized But Not Issued

At December 31, 2012, the Township had authorized but not issued bonds and notes in the General Capital Fund in the amount of \$1,981,250.00 and in the Water/Sewer Utility Capital Fund in the amount of \$0.00.

8. Local District School and Regional High School Taxes

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township has elected to defer school taxes as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Balance of Tax	\$ 13,087,741.00	\$12,754,621.50	\$ 4,679,234.88	\$ 4,620,836.53
Deferred	<u>11,292,290.00</u>	<u>11,292,290.00</u>	<u>4,138,088.13</u>	<u>4,138,088.13</u>
Tax Payable	<u>\$ 1,795,451.00</u>	<u>\$ 1,462,331.50</u>	<u>\$ 541,146.75</u>	<u>\$ 482,748.40</u>

9. Fund Balance Appropriated

Current Fund

The fund balance at December 31, 2012 was \$3,297,409.58 of which \$2,900,000.00 was appropriated and included as anticipated revenue for the year ended December 31, 2013.

Water/Sewer Utility Operating Fund

The fund balance at December 31, 2012 was \$78.12 of which \$0.00 was appropriated and included as anticipated revenue for the year ended December 31, 2013.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

10. Deferred Charges to be Raised in Succeeding Years' Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2012, the following deferred charges are shown on the Balance Sheets:

Current Fund

Special Emergency Authorization	<u>\$ 7,000,000.00</u>
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Water/Sewer Operating Fund

Deficit in 2012 Operations	<u>\$ 411,169.89</u>
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11. Accrued Sick and Vacation Benefits - Unaudited

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits its employees to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. Effective for financial statements dated December 31, 1987, the state has required all municipalities to disclose the estimated current cost of unused sick and vacation benefits at year-end. The Township estimated the current cost of such unpaid compensation would be \$2,998,565.35 at December 31, 2012. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The Township has a trust reserve for accumulated absence liabilities in the amount of \$413,106.81 and \$203,106.81 at December 31, 2012 and 2011.

12. Post-Employment Healthcare Benefits

Plan Description

In addition to the pension benefits as described in Note 1, the Township provides for health benefits as follows:

Effective January 1, 2009, the Township is a member of the State Health Benefits Program (SHBP). The SHBP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

12. Post-Employment Healthcare Benefits (continued)

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in SHBP. All employees of the Township who have completed twenty-five (25) years of active service or are eligible for disability retirement under the Public Employees' Retirement System or the Police and Firemen's Retirement System will be provided hospitalization and medical coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of SHBP, as well as the actuarial valuation of the plan in accordance with Governmental Accounting Standards Board Statement 45. These financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295. They are also available on the state's web site at www.state.nj.us/treasury/pensions.

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-employment health benefits under the plan have been funded on a pay-as-you go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township currently contributes on a pay-as-you go basis based upon monthly invoices from the State of New Jersey Division of Pensions. Employees are not required to contribute. Contributions to the plan for the last two years and the number of former employees eligible for and participating in the post-employment health care benefits program as of the respective year ended December 31 was as follows:

<u>Year</u>	<u>Contribution</u>	<u>Number of Employees</u>
2012	\$1,381,032.46	90
2011	1,212,279.33	84
2010	988,661.16	78

13. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The Reserve for Unemployment Compensation Insurance at December 31, 2012 and 2011 totaled \$91,703.26 and \$73,886.14, respectively.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

14. Contingent Liabilities

State and Federal Grants

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2012, the Township estimates that no material liabilities will result from such audits.

15. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Township is a member of the Ocean County Municipal Joint Insurance Fund ("JIF"). The joint insurance pool is both an insured and self-administered group of 30 municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. The JIF participates in the Municipal Excess Liability Insurance program which has a contract for excess liability insurance for property. The fund also purchased an excess Faithful Performance and Employee Dishonesty Bond. There were no settlements in excess of insurance coverage in 2012 and 2011.

16. Deferred Compensation Program

The Township has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Township has engaged a private contractor to administer the Plan.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

17. Length of Service Award Program ("LOSAP") - Unaudited

The Township has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Township's volunteer Fire Department and also their First Aid Squad. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,150.00 per year of active emergency service, commencing with the year 2005.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2005.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall not be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Criteria for Eligibility; Contributions; Points - Any active volunteer member shall eligible to participate in the LOSAP Plan immediately upon commencement of the member's performance of active voluntary services in the emergency service organization. Annual contributions shall only be made by the Township, however, for those active volunteer members who have earned the minimum number of points for performing certain volunteer services on a yearly basis.

Determination as to Eligibility - Each emergency service organization shall provide to the Township Administrator, acting as the Plan Administrator of LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Township Council for approval, in accordance with the provisions of N.J.A.C. 5:30-14.10. The decision of the Township Council as to such active member's eligibility shall be binding upon the Plan Administrator, participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

Terms of Participation - The Plan Administrator shall have the right to require any active volunteer member at the time of his or her becoming a participant to agree, in writing, to be bound by the terms, covenants and conditions of the LOSAP and accompanying trust. Each participant shall furnish to the Plan Administrator all pertinent information required for the administration of the LOSAP. The Plan Administrator shall rely upon all such information furnished.

Vesting - The active volunteer member shall not be permitted to receive a distribution of the fund in his or her LOSAP account until the completion of a five-year vesting period.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

17. Length of Service Award Program ("LOSAP") – Unaudited (continued)

Termination of Service - Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the emergency service organization as an active volunteer member. Any active volunteer member who terminates service with the emergency service organization, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

Reporting Requirements - N.J.A.C. 5:30-14.49 requires that the Township perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

18. Interfund Balances

The composition of interfund balances as of December 31, 2012 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Grant Fund	Current Fund	\$ 146,809.43
Water/Sewer Capital	Water/Sewer Operating	1,210,000.00

All balances resulted from the time lag between the dates that (1) reimbursable expenditures occur, (2) revenues/receipts are collected, and (3) payments between funds are made.

19. Interfund Transfers

<u>Transfer In</u>	<u>Transfers Out</u>	<u>Amount</u>
Current Fund	Grant Fund	\$ 19,268.77
Water/Sewer Operating	Water/Sewer Capital	1,210,000.00

Transfers are primarily used to move funds from:

- The Current Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.
- The Utility Operating Fund to the Utility Capital Fund to finance capital improvements accounted for in the Utility Capital Fund in accordance with budgetary authorizations.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

20. Super Storm Sandy

On October 29, 2012, Super Storm Sandy, then a Category 1 post-tropical cyclone, struck the southern Atlantic coast of New Jersey (the "Storm"). The resulting Storm surge and winds caused catastrophic damage to many coastal and riverfront communities, as well as widespread physical damage (including loss of electrical power and other utilities) throughout the State. In the days following the Storm, most schools and businesses – and many roads, bridges and public transportation systems – were closed.

It is not yet possible to fully estimate the economic impact of the Storm. Other consequences of the Storm, unforeseen at this time, could also have a material adverse economic impact on the Township, the State or the region. Currently, Township officials believe that the consequences of the Storm will not adversely impact the Township materially in the long term. Current estimates from the Township of damage and Storm related costs are as follows:

Assessment of Damage to Township-Owned Facilities:

- Estimated damage assessment of all Township-owned facilities and infrastructure is approximately \$1.135 million in repairs to sewer pump stations.

Debris Removal and Disposal

- Debris removal costs incurred by the Township are estimated to be \$2 million, consisting of approximately \$1 million in debris removal costs and the remainder in overtime costs and equipment repairs. The Township entered into a shared services contract with the County of Ocean for the removal of debris (estimated at a cost to the County of an additional \$14 million) after the initial costs incurred by the Township. Only a minor portion of the County's debris removal costs, after FEMA reimbursement, will be charged to the Township.

Certain expenses relating to debris removal, emergency protective measures, repairs and reconstruction of roads, bridges, utility systems and governmental buildings, and restoration of parks may be eligible for financial assistance from the Federal Emergency Management Agency ("FEMA"). FEMA has established a presence in the area, and it is expected that sufficient federal funding will be available to meet all valid claims. Some expenses are reimbursable at a 100% level while others are only reimbursable at a 90% level. Some expenses which must be paid over an extended period of time after the Storm may not be reimbursable. New Jersey law also permits governmental entities to borrow to pay for certain extraordinary expenses caused by natural disasters such as the Storm. On December 18, 2012 the Township issued \$7,000,000 of Special Emergency Note due December 17, 2013. Of this amount, \$1,135,000 was capital in nature and will be funded in the issuance of a bond anticipation note. The remaining portion will be a budgetary appropriation of at least 1/5 of the original principal amount of the Notes and must be made in each of the next five (5) succeeding annual budgets to allow the Township to finance the costs of the Notes over such period.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2012 and 2011

20. Super Storm Sandy (continued)

Approximately 25% of all residential structures in the Township were impacted by the Storm, which equates to approximately 4,500 structures out of a total of approximately 18,000 residential dwellings. Due to various degrees of water damage, the residential/commercial structures damaged are expected to be or have been repaired or rebuilt for occupancy. [None of the top ten taxpayers in the Township incurred significant damage due to the Storm.] In 2013, the Township completed a revaluation and reassessment on all properties and the total loss in assessed valuation from 2012 to 2013 is \$778,416,560 of which \$200,359,500 is due to the Storm. The anticipated impact on the Township's revenue is a decrease of \$1,700,000. In order to offset this impact, the Township has applied for and received approval for a FEMA Community Disaster Loan in the amount of \$5 million.

21. Special Emergency Notes

To finance costs related to Super Storm Sandy, the Township issued \$7,000,000 in special emergency notes on December 18, 2012. The notes bear interest at the rate of 1.05% per annum and mature on December 17, 2013. In addition to the \$1,173,000 raised in the 2013 municipal budget, FEMA reimbursements received to date will be used to pay down the principal of the special emergency notes. The special emergency notes will also be reduced by the \$1,135,000 capital portion for which bond anticipation notes will be issued.

22. Subsequent Events

On April 16, 2013, the Township adopted a water/sewer improvement bond ordinance authorizing bonds or notes in the amount of \$1,135,000 for the emergency retrofit and replacement of existing grinder pump stations and the replacement of fencing for water treatment plants and water tower. These improvements represent the capital improvement portion of the Special Emergency Notes issued to fund costs associated with the response to Super Storm Sandy.

On July 9, 2013, the Township adopted a bond ordinance totaling \$22,500,000, providing for the refunding of all or a portion of the Township's Pension Refunding Bonds, Series 2003; General Obligation Refunding Bonds, Series 2004; General Obligation Bonds, Series 2005 and General Improvement Refunding Bonds, Series 2005. Due to current market conditions, refunding bonds have not been issued for this authorization.

Two bond ordinances were adopted on August 6, 2013. A general improvement ordinance providing for various capital improvements and the acquisition of various capital equipment authorized the issuance of \$2,322,750 in bonds or notes. The other ordinance provides for various water/sewer utility improvements, authorizing the issuance of \$1,710,000 in bonds or notes.

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER

Year ended December 31, 2012

Reference

Balance, December 31, 2011	A		\$ 7,506,659.45
Increased By Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	\$ 675,149.31	
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	2-A	491,431.74	
Taxes Receivable	3-A	82,405,050.02	
Tax Title Liens Receivable	4-A	776.82	
Revenue Accounts Receivable	5-A	4,847,460.34	
Grants Received	7-A	172,327.87	
Payroll Deductions Payable	11-A	10,943,051.98	
Prepaid Taxes	12-A	466,786.36	
Tax Overpayments	15-A	61,950.85	
Special Emergency Notes	20-A	7,000,000.00	
Due to County - Share of PILOT Revenue	1-A	16,416.89	
Due to State Agencies:			
State Training Fees	1-A	47,405.00	
Marriage License Fees	1-A	3,475.00	
Reserve for:			
Garden State Preservation Trust Fund	17-A	36,666.00	
			<u>107,167,948.18</u>
			114,674,607.63
Decreased By Disbursements:			
Current Appropriations	A-3	37,962,741.69	
Appropriation Reserves	8-A	548,753.17	
Payroll Deductions Payable	11-A	10,978,018.99	
County Taxes Payable	13-A	16,578,543.64	
Local District School Tax Payable	14-A	25,842,362.50	
Regional High School Tax Payable	14-A	9,300,071.41	
Tax Overpayments	15-A	61,337.14	
Municipal Open Space Tax	16-A	439,125.28	
Due to County - Share of PILOT Revenue	1-A	16,416.89	
Due to State Agencies:			
State Training Fees	1-A	47,405.00	
Marriage License Fees	1-A	3,475.00	
Cash - Change Fund	A	300.00	
Reserve for Grant Expenditures - Appropriated	18-A	198,346.64	
			<u>101,976,897.35</u>
Balance, December 31, 2012	A		<u>\$ 12,697,710.28</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE FROM (TO) STATE OF NEW JERSEY -
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	A		\$ 8,242.71
Increased By:			
Senior Citizens'/Veterans' Deductions			
per Tax Billing	3-A	\$ 489,250.00	
Deductions Allowed By Collector:			
2012 Taxes	3-A	<u>11,500.00</u>	
			<u>500,750.00</u>
			508,992.71
Decreased By:			
Cash Receipts	1-A	491,431.74	
Deductions Disallowed By Collector:			
2010 Taxes	A-1,3-A	9,000.00	
2011 Taxes	A-1,3-A	8,823.27	
2012 Taxes	3-A	<u>8,931.46</u>	
			<u>518,186.47</u>
Balance, December 31, 2012	A		<u><u>\$ (9,193.76)</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF LEVY

Year ended December 31, 2012

<u>Year</u>	<u>Balance</u> <u>December 31,</u> <u>2011</u>	<u>2012</u> <u>Levy</u>	<u>Added/</u> <u>Omitted</u> <u>2012</u>	<u>Collections</u> <u>2011</u>	<u>Collections</u> <u>2012</u>	<u>Senior Citizens'</u> <u>and Veterans'</u> <u>Deductions</u> <u>Allowed/</u> <u>(Disallowed)</u>	<u>Transferred</u> <u>To Tax</u> <u>Title Liens</u>	<u>Cancelled</u>	<u>Balance</u> <u>December 31,</u> <u>2012</u>
2010	\$ 8,711.24				\$ 5,250.00	\$ (9,000.00)	\$ 19,020.67	\$ 7,246.00	\$ 12,461.24
2011	881,799.20				842,913.50	(8,823.27)	35,882.16	229,209.58	21,442.30
2012		\$ 83,521,952.39	\$ 219,088.47	\$ 513,634.72	81,556,886.52	491,818.54			913,609.34
	<u>\$ 890,510.44</u>	<u>\$ 83,521,952.39</u>	<u>\$ 219,088.47</u>	<u>\$ 513,634.72</u>	<u>\$ 82,405,050.02</u>	<u>\$ 473,995.27</u>	<u>\$ 54,902.83</u>	<u>\$ 236,455.58</u>	<u>\$ 947,512.88</u>
<u>Reference</u>	A	3-A	3-A	12-A	1-A	2-A	4-A		A

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF LEVY

Year ended December 31, 2012

	<u>Reference</u>		
<u>Analysis of 2012 Property Tax Levy</u>			
Tax Yield:			
Senior Citizens' Deductions per Tax Billing	2-A	\$	95,000.00
Veterans' Deductions per Tax Billing	2-A		394,250.00
General Purpose Tax	3-A		83,032,702.39
Added Taxes (54:4-63.1 et seq.)	3-A		<u>219,088.47</u>
	3-A	<u>\$</u>	<u>83,741,040.86</u>
Tax Levy:			
County Tax (Abstract)	13-A	\$	13,832,864.94
County Library Tax (Abstract)	13-A		1,568,593.05
County Health Tax (Abstract)	13-A		567,782.72
County Open Space Preservation	13-A		554,750.87
Due County for Added Tax	13-A		43,465.31
Local District School Tax (Abstract)	14-A		26,175,482.00
Regional School Tax (Abstract)	14-A		9,358,469.76
Municipal Open Space Tax	16-A		437,975.59
Due Open Space Trust for Added Tax	16-A		<u>1,149.69</u>
	A-2		52,540,533.93
Local Tax for Municipal Purposes (Abstract)	A-2		31,007,467.86
Add: Additional Tax Levied			<u>193,039.07</u>
	3-A	<u>\$</u>	<u>83,741,040.86</u>
<u>Analysis of Current Revenue From Taxes</u>			
		2012	Delinquent
		<u>Property Taxes</u>	<u>Taxes</u>
Prepaid Taxes Applied	3-A	\$	513,634.72
Taxes Collected in 2012	3-A		81,556,886.52
Senior Citizens' and Veterans' Deductions (Net)	3-A		491,818.54
Tax Title Liens Collected in 2012	4-A		<u>776.82</u>
	A-1,A-2	<u>\$</u>	<u>82,562,339.78</u>
			<u>\$</u> 848,940.32

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Year ended December 31, 2012

Reference

Balance, December 31, 2011	A		\$ 61,020.81
Increased By:			
Transfer From Taxes Receivable	3-A	\$ 54,902.83	
Interest and Costs of Tax Sale		<u>3,686.19</u>	
			<u>58,589.02</u>
			119,609.83
Decreased By:			
Collections	1-A,3-A		<u>776.82</u>
Balance, December 31, 2012	A		<u><u>\$ 118,833.01</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2012

	<u>Reference</u>	Balance December 31, <u>2011</u>	Accrued <u>2012</u>	Realized Revenue <u>2012</u>	Balance December 31, <u>2012</u>
Licenses:					
Alcoholic Beverages	A-2		\$ 30,700.00	\$ 30,700.00	
Fees and Permits:					
Other	A-2		27,680.00	27,680.00	
Fines and Costs:					
Municipal Court	A-2	\$ 24,822.25	350,483.75	354,488.00	\$ 20,818.00
Interest and Cost on Taxes	A-2		198,656.83	198,656.83	
Fire Prevention Bureau Fees	A-2		95,961.11	95,961.11	
Mobile Home Park Fees	A-2		138,976.20	138,976.20	
Payments in Lieu of Taxes - Federal	A-2		13,932.00	13,932.00	
Cable TV Fees and Lease	A-2		116,942.30	116,942.30	
PILOT - Target, Costco, etc.	A-2		285,351.20	285,351.20	
Energy Receipts Tax	A-2		2,465,920.00	2,465,920.00	
Supplemental Energy Receipts Tax	A-2		104,286.00	104,286.00	
Reserve for Garden State Preservation Trust Fund	A-2		36,666.00	36,666.00	
Uniform Construction Code Fees	A-2		624,826.00	624,826.00	
Interlocal Government Services Agreement -					
Animal Control:					
Long Beach Township	A-2		18,329.70	18,329.70	
Borough of Beach Haven	A-2		6,059.30	6,059.30	
Borough of Barnegat Light	A-2		3,488.50	3,488.50	
Borough of Harvey Cedars	A-2		3,271.00	3,271.00	
Interlocal Government Services Agreement -					
Construction:					
Township of Eagleswood	A-2		33,931.00	33,931.00	
Borough of Beach Haven	A-2		30,859.20	30,859.20	
Borough of Surf City	A-2		37,077.00	37,077.00	
Borough of Harvey Cedars	A-2		16,777.00	16,777.00	
Ocean County Cooperative Pricing System	A-2		17,500.00	17,500.00	
Reserve To Pay Bonds	A-2		7,448.00	7,448.00	
Reserve To Pay Notes	A-2				
Capital Surplus	A-2		215,000.00	215,000.00	
Total		<u>\$ 24,822.25</u>	<u>\$ 4,880,122.09</u>	<u>\$ 4,884,126.34</u>	<u>\$ 20,818.00</u>
	<u>Reference</u>	<u>A</u>			<u>A</u>
Analysis of Collected:					
Cash - Treasurer	1-A			\$ 4,847,460.34	
Reserve for Garden State Preservation Trust Fund	17-A			<u>36,666.00</u>	
	A-2			<u>\$ 4,884,126.34</u>	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 290,850.00
Increased by:		
Gain on Sale of Property		<u>4,300.00</u>
		295,150.00
Decreased by:		
Sale of Property	A-2	<u>6,800.00</u>
Balance, December 31, 2012	A	<u><u>\$ 288,350.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GRANT FUND

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

Year ended December 31, 2012

	Balance December 31, 2011	Increased By Revenue Anticipated 2012	Receipts Realized	Grants Unappropriated	Cancelled	Balance December 31, 2012
County of Ocean:						
Municipal Alliance on Alcoholism and Drug Abuse - 2012		\$ 27,000.00	\$ 13,344.76			\$ 13,655.24
Municipal Alliance on Alcoholism and Drug Abuse - 2011	\$ 11,867.80		11,445.65		\$ 422.15	0.00
Other Agencies:						
Drive Sober or Get Pulled Over 2012 Crackdown		4,400.00				4,400.00
Alcohol Education and Rehabilitation Fund		2,320.41	2,320.41			
Body Armor Replacement Fund - 2011		4,675.17		\$ 4,675.17		
Body Armor Replacement Fund - 2012		4,703.16	4,703.16			
Bulletproof Vest Partnership		3,900.00				3,900.00
Emergency Management Exercise Grant		12,098.80		12,098.80		
Click It or Ticket - 2012		4,000.00			4,000.00	
Drive Sober or Get Pulled Over 2011 Crackdown	5,000.00		4,050.00		950.00	
Emergency Management Assistance Funding		5,000.00	5,000.00			
Clean Communities Program		58,789.24	58,789.24			
FY 2012 Community Development Block Grant		25,000.00	25,000.00			
Recycling Tonnage Grant - 2010		47,674.65	47,674.65			
	<u>\$ 16,867.80</u>	<u>\$ 199,561.43</u>	<u>\$ 172,327.87</u>	<u>\$ 16,773.97</u>	<u>\$ 5,372.15</u>	<u>\$ 21,955.24</u>
Reference	A	A-2,10-A	1-A,10-A	19-A	18-A	A

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

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SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

	<u>Appropriations</u>			
	<u>Balance December 31, 2011</u>	<u>Prior Year Encumbrances</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>
				<u>Lapsed</u>
GENERAL GOVERNMENT				
General Administration:				
Salaries and Wages	\$ 7,591.60		\$ 591.60	\$ 591.60
Other Expenses	3,044.01	\$ 885.38	3,929.39	2,830.44
Purchasing:				
Salaries and Wages	8,698.13		698.13	698.13
Other Expenses		421.33	421.33	421.33
Human Resources:				
Other Expenses	3,432.55		3,432.55	732.50
Mayor and Council:				
Salaries and Wages	5,612.53		612.53	612.53
Other Expenses	902.92	222.00	1,124.92	209.94
Municipal Clerk:				
Salaries and Wages	523.69		523.69	523.69
Other Expenses	117.42	383.76	3,501.18	3,117.42
Elections	88.44		88.44	88.44
Financial Administration (Treasury):				
Salaries and Wages	13,246.96		10,246.96	10,246.96
Other Expenses		4,277.72	4,277.72	4,271.48
Banking and Arbitrage Rebate Services:				
Other Expenses	7,024.67		7,024.67	3,017.96
Computerized Data Processing:				
Salaries and Wages	3,597.96		597.96	597.96
Other Expenses	6.03	8,839.42	8,845.45	4,381.44
Revenue Administration (Tax Collection):				
Salaries and Wages	1,076.89		76.89	76.89
Other Expenses	1,748.39	114.00	1,862.39	114.00
Tax Assessment Administration:				
Salaries and Wages	5,493.41		493.41	493.41
Other Expenses	14,322.51	8,646.99	22,969.50	9,244.41
Legal Services (Legal Department):				
Other Expenses	52,747.43		52,747.43	15,016.15
Engineering Services:				
Other Expenses	45,894.25	11,291.50	57,185.75	27,841.00
Municipal Alliance:				
Salaries and Wages	3,388.17		3,388.17	3,388.17
Community Development and Zoning:				
Salaries and Wages	4,160.70		160.70	160.70
Other Expenses	687.83	24.00	711.83	711.83
Historic Sites Office:				
Salaries and Wages	387.79		387.79	387.79
Other Expenses	0.46	50.00	50.46	50.46
LAND USE ADMINISTRATION				
Planning Board:				
Salaries and Wages	287.28		287.28	287.28
Other Expenses	64.41	265.75	1,030.16	708.25
Zoning Board of Adjustment:				
Salaries and Wages	1,173.93		1,173.93	1,173.93
Other Expenses	3,797.14	281.08	3,728.22	281.08
CODE ENFORCEMENT AND ADMINISTRATION				
Uniform Construction Code Enforcement:				
Salaries and Wages	687.21		687.21	687.21
Other Expenses	18.82	113.46	132.28	118.21
Other Code Enforcement Functions:				
Salaries and Wages	8,583.52		583.52	583.52
Other Expenses	276.89		276.89	276.89

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

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SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

	Appropriations			
	Balance December 31, <u>2011</u>	Prior Year <u>Encumbrances</u>	Balance After <u>Modification</u>	Paid or <u>Charged</u>
				<u>Lapsed</u>
INSURANCE				
General Liability	2,601.00		2,601.00	
Employee Group Health Insurance		578.40	578.40	578.40
				2,601.00
PUBLIC SAFETY				
Police Department:				
Salaries and Wages	31,871.26		20,871.26	
Other Expenses	396.09	28,232.54	28,628.63	27,651.98
Office of Emergency Management:				
Salaries and Wages	980.00		980.00	
Other Expenses	71.13		71.13	
Aid to Volunteer Ambulance Companies				
Uniform Fire Safety:				
Salaries and Wages	8,993.18		993.18	
Other Expenses	61.45	1,188.90	1,250.35	488.00
				993.18
				762.35
New Jersey Public Employees Safety and Health	1,306.49	4,654.94	5,961.43	5,350.10
				611.33
PUBLIC WORKS				
Streets and Road Maintenance:				
Salaries and Wages	28,363.77		123,363.77	95,000.00
Other Expenses	2,180.77	4,300.81	6,481.58	3,210.68
Solid Waste Collection:				
Salaries and Wages	9,551.03		551.03	
Other Expenses	1,499.92	4,139.88	5,639.80	4,023.21
Buildings and Grounds:				
Salaries and Wages	73,348.78		1,348.78	
Other Expenses	283.79	3,870.33	6,854.12	6,476.46
Vehicle Maintenance:				
Salaries and Wages	18,141.02		141.02	
Other Expenses	5,290.71	31,629.50	45,920.21	40,329.67
Municipal Bus Service:				
Salaries and Wages	5,775.11		775.11	
Other Expenses	3,083.57	755.66	1,139.23	485.66
				775.11
				653.57
HEALTH AND HUMAN SERVICES				
Environmental Health Services:				
Salaries and Wages	295.70		295.70	
Other Expenses	246.33	138.05	384.38	138.05
Animal Control Services:				
Salaries and Wages	11,543.73		543.73	
Other Expenses	4,038.47	3,993.27	8,031.74	4,304.37
				543.73
				3,727.37
PARKS AND RECREATION				
Recreation Services and Programs:				
Salaries and Wages	16,859.89		859.89	
Other Expenses	2,229.80	16,271.79	18,501.59	16,830.81
Beach and Boardwalk Operations:				
Other Expenses	55.35		55.35	
Celebration of Public Events:				
Other Expenses	1,203.20	211.69	1,414.89	139.75
				1,275.14
Municipal Court:				
Salaries and Wages	10,165.09		165.09	
Other Expenses	521.12	787.78	1,308.90	1,103.65
Public Defender:				
Other Expenses	140.00		140.00	140.00

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

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SCHEDULE OF 2011 APPROPRIATION RESERVES

Year ended December 31, 2012

	Appropriations			
	Balance December 31, 2011	Prior Year Encumbrances	Balance After Modification	Paid or Charged
				Lapsed
UNCLASSIFIED				
UTILITY EXPENSES AND BULK PURCHASES				
Electricity	8,596.94		8,596.94	319.73
Street Lighting	86,119.77		77,269.77	38,299.23
Telephone (excluding telephone acquisition)	5,363.60	146.04	11,009.64	10,625.39
Water	4,308.42		4,308.42	1,372.78
Gas (natural or propane)	14,998.69		14,998.69	9,854.34
Telecommunications Costs	93.50	306.50	400.00	304.96
Sewerage Processing and Disposal	3,790.60		3,790.60	1,295.62
Gasoline	40,790.74		40,790.74	17,669.37
Landfill/Solid Waste Disposal Costs	42,335.65		39,013.84	2,033.19
Accumulated Leave Compensation			100,000.00	100,000.00
STATUTORY EXPENDITURES				
Contribution To:				
Social Security System (O.A.S.I.)	43,357.38		43,357.38	3,315.50
DCRP Appropriation	4,106.85		4,106.85	
Employee Group Health	1,583.36		1,583.36	
Length of Service Award Program	95,000.00		95,000.00	86,250.00
Recycling Tax	2,325.35		5,647.16	3,321.81
Total General Appropriations	<u>\$ 792,552.54</u>	<u>\$ 137,022.47</u>	<u>\$ 929,575.01</u>	<u>\$ 548,753.17</u>
Reference	A	9-A		1-A
				A-1

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2012</u>
Budget Appropriations	\$ 137,022.47	\$ 1,518,188.12	\$ 137,022.47	\$ 1,518,188.12
Grant Fund	<u>1,487.22</u>	<u>2,804.00</u>	<u>1,487.22</u>	<u>2,804.00</u>
	<u>\$ 138,509.69</u>	<u>\$ 1,520,992.12</u>	<u>\$ 138,509.69</u>	<u>\$ 1,520,992.12</u>
<u>Reference</u>	A	A-3,18-A	8-A,18-A	A

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF DUE TO GRANT FUND

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	A		\$ 166,078.20
Increased By:			
Cash Receipts	7-A	\$ 172,327.87	
Budget Appropriations	18-A	<u>206,311.43</u>	
			<u>378,639.30</u>
			544,717.50
Decreased By:			
Revenue Anticipated	7-A	199,561.43	
Cash Disbursements	18-A	<u>198,346.64</u>	
			<u>397,908.07</u>
Balance, December 31, 2012	A		<u>\$ 146,809.43</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 199,238.06
Increased By:		
Cash Receipts:		
Payroll Deductions	1-A	<u>10,943,051.98</u>
		11,142,290.04
Decreased By:		
Cash Disbursements	1-A	<u>10,978,018.99</u>
Balance, December 31, 2012	A	<u>\$ 164,271.05</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF PREPAID TAXES

Year ended December 31, 2012

Reference

Balance, December 31, 2011	A	\$ 513,634.72
Increased By:		
Collection of 2013 Taxes	1-A	<u>466,786.36</u>
		980,421.08
Decreased By:		
Applied To Taxes Receivable	3-A	<u>513,634.72</u>
Balance, December 31, 2012	A	<u><u>\$ 466,786.36</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	A		\$ 54,552.06
Increased By:			
2012 Levy:			
General County	3-A	\$ 13,832,864.94	
County Library	3-A	1,568,593.05	
County Health	3-A	567,782.72	
County Open Space Preservation	3-A	554,750.87	
Due County for Added Assessments	3-A	<u>43,465.31</u>	
	A-1		<u>16,567,456.89</u>
			16,622,008.95
Decreased By:			
Cash Disbursements	1-A		<u>16,578,543.64</u>
Balance, December 31, 2012	A		<u><u>\$ 43,465.31</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF SCHOOL TAXES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	<u>Local District School Tax</u>	<u>Regional High School Tax</u>
Balance, December 31, 2011			
School Tax Payable	A	\$ 1,462,331.50	\$ 482,748.40
School Tax Deferred	14-A	<u>11,292,290.00</u>	<u>4,138,088.13</u>
		12,754,621.50	4,620,836.53
Increased By:			
Levy - School Year, July 1, 2012 to June 30, 2013	3-A	<u>26,175,482.00</u>	<u>9,358,469.76</u>
		38,930,103.50	13,979,306.29
Decreased By:			
Cash Disbursements	1-A	<u>25,842,362.50</u>	<u>9,300,071.41</u>
Balance, December 31, 2012	14-A	<u><u>\$ 13,087,741.00</u></u>	<u><u>\$ 4,679,234.88</u></u>
Analysis of Balance:			
School Tax Payable	A	\$ 1,795,451.00	\$ 541,146.75
School Tax Deferred	14-A	<u>11,292,290.00</u>	<u>4,138,088.13</u>
		<u><u>\$ 13,087,741.00</u></u>	<u><u>\$ 4,679,234.88</u></u>
2012 Liability for School Taxes:			
Tax Paid	1-A	\$ 25,842,362.50	\$ 9,300,071.41
Taxes Payable, December 31, 2012	A	<u>1,795,451.00</u>	<u>541,146.75</u>
		27,637,813.50	9,841,218.16
Taxes Payable, December 31, 2011	A	<u>1,462,331.50</u>	<u>482,748.40</u>
Amount Charged To Operations	A-1	<u><u>\$ 26,175,482.00</u></u>	<u><u>\$ 9,358,469.76</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAX OVERPAYMENTS PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	A	\$ 4,168.76
Increased By:		
Cash Receipts	1-A	<u>61,950.85</u>
		66,119.61
Decreased By:		
Cash Disbursements	1-A	<u>61,337.14</u>
Balance, December 31, 2012	A	<u><u>\$ 4,782.47</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE

Year ended December 31, 2012

Reference

Balance, December 31, 2011	A		\$ 0.00
Increased By:			
2012 Levy	3-A	\$ 437,975.59	
Added and Omitted Taxes	3-A	<u>1,149.69</u>	
	A-1		<u>439,125.28</u>
			439,125.28
Decreased By:			
Cash Disbursements	1-A		<u>439,125.28</u>
Balance, December 31, 2012	A		<u>\$ 0.00</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR GARDEN STATE PRESERVATION TRUST FUND

Year ended December 31, 2012

Reference

Balance, December 31, 2011	A	\$ 36,666.00
Increased By:		
Cash Receipts	1-A	<u>36,666.00</u>
		73,332.00
Decreased By:		
Anticipated as Revenue	5-A	<u>36,666.00</u>
Balance, December 31, 2012	A	<u><u>\$ 36,666.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANT EXPENDITURES - APPROPRIATED

Year ended December 31, 2012

	Balance December 31, 2011	Transferred From 2012 Budget Appropriations	Transfer From Encumbrances	Cash Disbursed	Cancelled	Encumbrances Payable	Balance December 31, 2012
County of Ocean:							
Municipal Alliance on Alcoholism - 2012		\$ 27,000.00		\$ 22,745.71			
Municipal Alliance on Alcoholism - 2012 Match		6,750.00		6,750.00		\$ 770.00	\$ 3,484.29
Municipal Alliance on Alcoholism - 2011	\$ 176.58		\$ 1,487.22	1,241.65	\$ 422.15		0.00
Other Agencies:							
Clean Communities Program - 2012		58,789.24		16,750.27		500.00	41,538.97
Clean Communities Program - 2011	19,441.78			19,441.78			
Emergency Management Assistance Grant		5,000.00		5,000.00			0.00
Drunk Driving Enforcement Fund	4,310.48			4,310.48			0.00
Alcohol Education and Rehabilitation Fund	293.95			293.95			
Alcohol Education and Rehabilitation Fund	2,157.39			2,157.39			
Alcohol Education and Rehabilitation Fund		2,320.41		288.66			
Emergency Management Exercise Grant		12,098.80					2,031.75
Bulletproof Vest Partnership Grant		3,900.00					12,098.80
Body Armor Replacement Fund	195.14					195.14	3,900.00
Body Armor Replacement Fund - 2009	1,916.24						0.00
Body Armor Replacement Fund - 2010	4,600.04					1,338.86	577.38
Body Armor Replacement Fund - 2011		4,675.17					4,600.04
Body Armor Replacement Fund - 2012		4,703.16					4,675.17
Drive Sober or Get Pulled Over 2012 Crackdown		4,400.00		4,400.00			4,703.16
Drive Sober or Get Pulled Over 2011 Crackdown				4,000.00	950.00		
Click It or Ticket - 2012	3,004.26			2,054.26	4,000.00		
FM Global Fire Prevention Grant				75.00			
Recycling Tonnage Grant - 2010		47,674.65					47,674.65
Recycling Tonnage Grant - 2009	77,620.12			36,943.66			40,676.46
Recycling Tonnage Grant - 2008	50,602.74			50,602.74			
Community Development Block Grant		25,000.00		25,000.00			
Community Wildfire Hazard Mitigation Assistance	291.09			291.09			
	<u>\$ 164,684.81</u>	<u>\$ 206,311.43</u>	<u>\$ 1,487.22</u>	<u>\$ 198,346.64</u>	<u>\$ 5,372.15</u>	<u>\$ 2,804.00</u>	<u>\$ 165,960.67</u>
Reference	A	A-3,10-A	9-A	1-A,10-A	7-A	9-A	A

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GRANT FUND

SCHEDULE OF RESERVE FOR GRANTS - UNAPPROPRIATED

Year ended December 31, 2012

<u>Program</u>	Balance December 31, <u>2011</u>	Revenue <u>Anticipated</u>	Balance December 31, <u>2012</u>
Body Armor Replacement Fund	\$ 4,675.17	\$ 4,675.17	\$
FEMA Exercise Grant	<u>12,098.80</u>	<u>12,098.80</u>	<u> </u>
	<u>\$ 16,773.97</u>	<u>\$ 16,773.97</u>	<u>\$</u>
<u>Reference</u>	A	7-A	A

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL EMERGENCY NOTES

Year ended December 31, 2012

Reference

Increased By:

Cash Receipts

1-A

\$ 7,000,000.00

Balance, December 31, 2012

A

\$ 7,000,000.00

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY AUTHORIZATION

Year ended December 31, 2012

Reference

Increased By:

Special Emergency Appropriation - Superstorm Sandy	A-1, A-3	<u>\$ 7,000,000.00</u>
Balance, December 31, 2012	A	<u><u>\$ 7,000,000.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR SPECIAL EMERGENCY - SUPERSTORM SANDY

Year ended December 31, 2012

Reference

Increased By:

Special Emergency Appropriation - Superstorm Sandy	A-3	<u>\$ 4,115,315.43</u>
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Balance, December 31, 2012	A	<u><u>\$ 4,115,315.43</u></u>
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TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND

SCHEDULE OF TRUST CASH AND CASH EQUIVALENTS - TREASURER

Year ended December 31, 2012

	<u>Reference</u>	<u>Animal Control Fund</u>	<u>Trust - Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2011	B	\$ 41,468.42	\$ 8,709,207.06	\$ 1,362,795.18
Increased By Receipts:				
Dog License Fees	3-B	24,458.00		
Due To State of New Jersey Department of Health	4-B	5,707.80		
Reserve for Landfill Tax Escrow	5-B		1,566.64	
Escrow Funds	6-B		353,368.85	
Municipal Alliance	7-B		28,730.00	
Various Reserves	8-B		2,696,122.03	
Open Space Fund Expenditures	9-B			439,542.19
		<u>30,165.80</u>	<u>3,079,787.52</u>	<u>439,542.19</u>
Decreased By Disbursements:		<u>71,634.22</u>	<u>11,788,994.58</u>	<u>1,802,337.37</u>
Animal Control Fund Expenditures	3-B	19,205.40		
Due To State of New Jersey Department of Health	4-B	5,709.60		
Reserve for Landfill Tax Escrow	5-B		3,118.96	
Escrow Funds	6-B		684,172.22	
Municipal Alliance	7-B		28,347.87	
Various Reserves	8-B		3,929,556.30	
Open Space Fund Expenditures	9-B			337,628.52
		<u>24,915.00</u>	<u>4,645,195.35</u>	<u>337,628.52</u>
Balance, December 31, 2012	B	<u>\$ 46,719.22</u>	<u>\$ 7,143,799.23</u>	<u>\$ 1,464,708.85</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF INVESTMENTS

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	B		\$ 564,498.85
Increased By:			
Township Contributions	10-B	\$ 86,250.00	
Appreciation	10-B	<u>54,521.37</u>	
			<u>140,771.37</u>
			705,270.22
Decreased By:			
Withdrawals	10-B	10,650.00	
Accounting Charges	10-B	<u>2,575.00</u>	
			<u>13,225.00</u>
Balance, December 31, 2012	B		<u><u>\$ 692,045.22</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2012

Reference

Balance, December 31, 2011	B	\$ 41,457.62
Increased By:		
Dog License Fees Collected	1-B	<u>24,458.00</u>
		65,915.62
Decreased By:		
Expenditures for Animal Control Fund	1-B	<u>19,205.40</u>
Balance, December 31, 2012	B	<u><u>\$ 46,710.22</u></u>

Fees Collected

2011	\$ 23,233.00
2010	<u>23,688.00</u>
	<u><u>\$ 46,921.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY DEPARTMENT OF HEALTH

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 10.80
Increased By:		
Cash Receipts	1-B	<u>5,707.80</u>
		5,718.60
Decreased By:		
Cash Disbursements	1-B	<u>5,709.60</u>
Balance, December 31, 2012	B	<u><u>\$ 9.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR LANDFILL TAX ESCROW

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 415,371.41
Increased By:		
Interest Earned	1-B	<u>1,566.64</u>
		416,938.05
Decreased By:		
Bank Fees	1-B	<u>3,118.96</u>
Balance, December 31, 2012	B	<u><u>\$ 413,819.09</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF CASH SURETY BONDS AND ESCROW DEPOSITS

Year ended December 31, 2012

<u>Trust Funds</u>	Balance December 31, 2011	<u>Increases</u>	<u>Decreases</u>	Balance December 31, 2012
Cash Surety Bonds	\$ 1,816,078.22	\$ 113,736.72	\$ 344,665.80	\$ 1,585,149.14
Reserve for Developers'				
Escrow Deposits	<u>1,412,428.86</u>	<u>239,632.13</u>	<u>339,506.42</u>	<u>1,312,554.57</u>
	<u>\$ 3,228,507.08</u>	<u>\$ 353,368.85</u>	<u>\$ 684,172.22</u>	<u>\$ 2,897,703.71</u>
<u>Reference</u>	B	1-B	1-B	B

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF RESERVE FOR MUNICIPAL ALLIANCE PROGRAM INCOME

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	B	\$ 20,009.51
Increased By:		
Cash Receipts	1-B	<u>28,730.00</u>
		48,739.51
Decreased By:		
Cash Disbursements	1-B	<u>28,347.87</u>
Balance, December 31, 2012	B	<u><u>\$ 20,391.64</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2012</u>
Unemployment Compensation				
Insurance	\$ 73,886.14	\$ 93,741.50	\$ 75,924.38	\$ 91,703.26
Reserve for:				
Adopt-A-Park Program	5,770.00		5,668.25	101.75
Community Outreach Donations	300.00		120.90	179.10
P.O.A.A.	79.00	26.00		105.00
Disposal of Forfeited Property	14,880.71	23,347.30	120.00	38,108.01
Public Defender	1,351.00	13,092.00	13,702.00	741.00
Outside Employment	20,264.39	296,486.57	290,710.58	26,040.38
Utility Developers Escrow	659,449.30	57,022.11	102,067.78	614,403.63
Adopt A Tree Program	8,947.99	7,764.00	7,844.20	8,867.79
Recreation Trust Fund	12,530.73	125,226.02	123,670.48	14,086.27
Accumulated Leave Time	203,106.81	362,965.69	152,965.69	413,106.81
Affordable Housing Trust	3,667,203.94	158,775.64	1,726,137.35	2,099,842.23
Snow Removal Trust	192,314.21	95,000.00		287,314.21
Tax Title Liens	34,434.84	1,171,842.71	1,145,092.20	61,185.35
Tax Sale Premiums	150,800.00	290,832.49	285,532.49	156,100.00
	<u>\$ 5,045,319.06</u>	<u>\$ 2,696,122.03</u>	<u>\$ 3,929,556.30</u>	<u>\$ 3,811,884.79</u>

Reference

B

1-B

1-B

B

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

OPEN SPACE TRUST FUND

SCHEDULE OF RESERVE FOR OPEN SPACE FUND EXPENDITURES

Year ended December 31, 2012

Reference

Balance, December 31, 2011	B		\$ 1,362,795.18
Increased By:			
Open Space Tax Levy		\$ 437,975.59	
Interest Earned		416.91	
Open Space Tax - Added/Omitted		<u>1,149.69</u>	
	1-B		<u>439,542.19</u>
			1,802,337.37
Decreased By:			
Cash Disbursed:			
Debt Service	1-B		<u>337,628.52</u>
Balance, December 31, 2012	B		<u><u>\$ 1,464,708.85</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	B		\$ 564,498.85
Increased By:			
Budget Appropriation	2-B	\$ 86,250.00	
Appreciation	2-B	<u>54,521.37</u>	
			<u>140,771.37</u>
			705,270.22
Decreased By:			
Withdrawals	2-B	10,650.00	
Accounting Charges	2-B	<u>2,575.00</u>	
			<u>13,225.00</u>
Balance, December 31, 2012	B		<u><u>\$ 692,045.22</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CASH AND CASH EQUIVALENTS

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	C		\$ 7,106,798.34
Increased By Cash Receipts:			
Bond Anticipation Notes	7-C	\$ 2,973,500.00	
Grants Received	5-C	150,000.00	
Serial Bonds	6-C	7,965,000.00	
Deferred Charges to Future Taxation - Unfunded	5-C	1.00	
Fund Balance	C-1	301,344.61	
Reserve for:			
Community Center Donations	14-C	250,000.00	
Debt Service	12-C	<u>139,750.00</u>	
			<u>11,779,595.61</u>
			18,886,393.95
Decreased By Cash Disbursements:			
Bond Anticipation Notes	7-C	8,415,000.00	
Improvement Authorizations	10-C	4,223,027.37	
Reserve for Debt Service	12-C	7,448.00	
Fund Balance	C-1	<u>215,000.00</u>	
			<u>12,860,475.37</u>
Balance, December 31, 2012	C		<u><u>\$ 6,025,918.58</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH AND CASH EQUIVALENTS

Year ended December 31, 2012

		Balance December 31, 2012
Fund Balance		\$ 813,572.12
Capital Improvement Fund		43,778.99
Encumbrances Payable		2,672,134.54
Reserve for:		
Debt Service		139,750.00
Developer's Contributions		42,000.00
Community Center Donations		250,000.00
<u>Ordinance</u>	<u>Improvement Description</u>	
<u>Number</u>		
08-82	Reconstruction and Resurfacing of Roads - Deer Haven	178,002.93
08-103	Closure of Landfill	67,084.00
09-12/04-57	Construction of Bulkhead and Other Improvements To Mill Creek Park	125,000.00
09-27/08-101/08-44/07-100/06-83	Update of Master Plan Elements as Part of Regional Center Petition	12,804.34
09-30/08-20/07-09/06-07/04-59	Design Improvements for the Intersection of Mill Creek Road and Route 72	162,334.78
09-42/09-06	Construction of Vehicle Wash Facility	356,967.26
09-43/09-07	Purchase of Inlet Cleaning Vacuum Truck	24,996.89
10-21	Various Improvements to Various Sports Facilities	8,005.31
10-25	Various 2010 Roadway Improvements	1,417,486.19
12-18/10-26	Various 2010 Drainage Improvements	(205,331.64)
10-29	Acquisition/Installation of Various Equipment for Police Department	303,406.28
10-30	Various Improvements to a Fire Department Ladder Truck	58,042.50
10-31	Acquisition of Various Police Vehicles	4,494.62
10-32	Acquisition/Installation of Various Vehicles/Equipment for DPW	28,678.29
11-18	Various Improvements to Various Parks	922.28
11-20	Police Radio Upgrade - Phase 2	19,399.52
11-21	Acquisition of Various Police Equipment	1,967.80
12-10/11-24	Improvements to Ambulances	4,810.57
11-25	Improvements to Municipal Building	19,749.52
11-26	Acquisition/Installation of Various Equipment for DPW	24,088.33
11-27	Various Roadway Improvements	161,028.07
12-11/11-31	Various Stormwater Improvements	(1,122,965.65)
12-02	Acquisition of Various Vehicles/Equipment for DPW	44,400.61
12-03	Various Roadway Improvements	261,460.77
12-04	Acquisition of Various Police Equipment	6,738.12
12-05	Radio System Upgrade Project	92,677.57
12-06	Purchase of Computer Equipment	3,976.25
12-24/12-07	Various Improvements to Various Parks	4,457.42
		<u>\$ 6,025,918.58</u>

Reference

C

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GRANTS RECEIVABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 19,389.00
Canceled Against Reserve	C	\$ <u>19,389.00</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	C		\$ 58,222,576.41
Increased By:			
Serial Bonds Issued	5-C		<u>7,965,000.00</u>
			66,187,576.41
Decreased By:			
Payments By Budget Appropriation:			
Bonds Payable	6-C	\$ 4,120,000.00	
Loans Payable	9-C	<u>312,991.46</u>	
			<u>4,432,991.46</u>
Balance, December 31, 2012	C		<u><u>\$ 61,754,584.95</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	2012 Authorizations	Decreased By 2012 Serial Bonds	Grant received/ Raised in Budget	Balance December 31, 2012	Analysis of Balance December 31, 2012		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
08-82	General Improvements:								
09-12/04-57	Reconstruction/Resurfacing of Roads - Deer Haven	\$ 50,000.00		\$ 50,000.00					
09-04	Construction of Bulkhead at Mill Creek Park	47,500.00		47,500.00					
09-05	Purchase 4 Automated Trucks for Single Stream Recycling	812,125.00		812,125.00					
09-42/09-06	Purchase of Containers for Single Stream Recycling	769,375.00		769,375.00					
09-43/09-07	Construction of Vehicle Wash Facility	392,000.00		36,900.00					
09-19	Purchase of Inlet Cleaning Vacuum Truck	428,000.00		428,000.00		\$ 355,100.00	\$ 355,100.00		
09-31	Purchase of Roll Off Truck	189,750.00		189,750.00					
10-21	Acquisition of Property for Open Space	1,578,750.00		1,578,750.00					
10-22	Various Improvements to Various Sports Facilities	228,100.00		228,100.00					
10-25	Various Improvements to Various Parks	100,000.00		100,000.00					
12-18/10-26	Various 2010 Roadway Improvements	1,717,500.00		1,717,500.00					
10-29	Various 2010 Drainage Improvements	506,000.00	\$ 285,000.00	506,000.00		285,000.00		\$ 205,331.64	\$ 79,668.36
10-30	Acquisition/Installation of Various Equipment for Police Department	455,000.00		455,000.00					
10-31	Various Improvements to a Fire Department Ladder Truck	370,000.00		370,000.00					
10-32	Acquisition of Various Police Vehicles	100,000.00		100,000.00					
11-18	Acquisition/Installation of Various Vehicles/Equipment for DPW	576,000.00		576,000.00					
11-20	Various Improvements to Various Parks	100,000.00		100,000.00					
11-21	Police Radio Upgrade - Phase 2	327,028.00		327,028.00	\$ 1.00	100,000.00	100,000.00		
11-23	Purchase of Various Police Equipment	56,468.00		56,468.00		327,027.00	327,027.00		
12-10/11-24	Improvements to Ambulances	65,930.00		65,930.00		56,468.00	56,468.00		
11-25	Improvements to Municipal Building	142,500.00	57,000.00	65,930.00		65,930.00	65,930.00		
11-26	Acquisition/Installation of Various Equipment for DPW	31,350.00		31,350.00		199,500.00	199,500.00		
11-27	Various Roadway Improvements	715,825.00		715,825.00		31,350.00	31,350.00		
12-2	Various Stormwater Improvements	1,500,000.00		1,500,000.00	150,000.00	715,825.00	715,825.00		
12-3	Acquisition of Various Equipment for DPW	300,000.00	1,325,000.00	1,325,000.00		1,350,000.00	1,350,000.00		
12-4	Various Roadway Improvements		897,750.00	897,750.00		1,625,000.00	897,750.00	1,122,965.65	502,034.35
12-5	Acquisition of Various Police Equipment		1,045,000.00	1,045,000.00		1,045,000.00	1,045,000.00		
12-6	Township Radio System Upgrade Project		95,000.00	95,000.00		95,000.00	95,000.00		
12-24/12-7	Purchase of Various Computer Equipment		736,250.00	736,250.00		736,250.00	736,250.00		
	Various Improvements to Various Parks		95,000.00	95,000.00		95,000.00	95,000.00		
			118,750.00			118,750.00	47,500.00		71,250.00
		\$ 11,559,201.00	\$ 4,654,750.00	\$ 7,965,000.00	\$ 150,001.00	\$ 8,098,950.00	\$ 6,117,700.00	\$ 1,328,297.29	\$ 652,952.71
		C	10-C	4-C		C	7-C	2-C	
	Grants Received				\$ 150,000.00				
	Raised in Budget				1.00				
					\$ 150,001.00				

GENERAL CAPITAL FUND

SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION UNFUNDED

Year ended December 31, 2012

[illegible]

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND

Schedule 6-C
Page 1 of 2

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2012

Year	Purpose	Date of Issue	Issue Amount	Maturity Date	Maturity Schedule	Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
2003	General Obligations Refunding Bonds	04/01/03	\$ 985,000.00	04/01/21 04/01/22 04/01/23 04/01/24 04/01/25 04/01/26 04/01/27 04/01/28 04/01/29 04/01/30 04/01/31 04/01/32 04/01/33	\$ 10,000.00 15,000.00 25,000.00 35,000.00 45,000.00 55,000.00 65,000.00 80,000.00 95,000.00 110,000.00 130,000.00 150,000.00 170,000.00	6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650% 6.650%	\$ 985,000.00			\$ 985,000.00
2004	General Improvement Refunding Bonds	05/01/04	5,745,000.00	09/01/13 09/01/14 09/01/15 09/01/16	530,000.00 540,000.00 550,000.00 555,000.00	4.000% 4.000% 4.000% 4.125%	2,695,000.00		\$ 520,000.00	2,175,000.00
2005	General Improvement Bonds, 2005A	07/01/05	11,646,000.00	07/01/13 07/01/14 07/01/15 07/01/16 07/01/17 07/01/18 07/01/19 07/01/20	760,000.00 790,000.00 820,000.00 850,000.00 880,000.00 915,000.00 950,000.00 966,000.00	5.000% 5.000% 5.000% 5.000% 4.000% 4.000% 4.000% 4.000%	7,686,000.00	735,000.00		6,951,000.00
2005	General Obligation Refunding Bonds	09/01/05	14,225,000.00	02/01/13 02/01/14 02/01/15 02/01/16 02/01/17 02/01/18 02/01/19 02/01/20 02/01/21 02/01/22 02/01/23 02/01/24	865,000.00 885,000.00 905,000.00 920,000.00 940,000.00 955,000.00 970,000.00 995,000.00 1,015,000.00 1,035,000.00 1,060,000.00 1,075,000.00	4.500% 4.500% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.100% 4.125% 4.125%	12,475,000.00	855,000.00		11,620,000.00
2008	General Improvement Bonds	08/26/08	19,200,000.00	08/01/13 08/01/14 08/01/15 08/01/16 08/01/17 08/01/18 08/01/19 08/01/20 08/01/21 08/01/22 08/01/23 08/01/24 08/01/25 08/01/26 08/01/27 08/01/28	730,000.00 770,000.00 800,000.00 835,000.00 865,000.00 900,000.00 940,000.00 980,000.00 1,020,000.00 1,065,000.00 1,110,000.00 1,155,000.00 1,210,000.00 1,260,000.00 1,315,000.00 1,375,000.00	4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.125% 4.200% 4.250% 4.250% 4.375% 4.500% 4.500% 4.500%	17,055,000.00	725,000.00		16,330,000.00

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2012

[illegible]

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2012

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
08-82	Reconstruction and Resurfacing of Roads - Deer Haven	09/01/09	05/24/11	05/23/12	1.250%	\$ 50,000.00		\$ 50,000.00	
09-12/04-57	Construction of Bulkhead at Mill Creek Park	09/01/09	05/24/11	05/23/12	1.250%	47,500.00		47,500.00	
09-04	Purchase Four Automated Trucks for Single Stream Recycling	09/01/09	05/24/11	05/23/12	1.250%	812,125.00		812,125.00	
09-05	Purchase Containers for Single Stream Recycling	09/01/09	05/24/11	05/23/12	1.250%	769,375.00		769,375.00	
09-43/09-07	Purchase of Inlet Cleaning Vacuum Truck	12/18/09	05/23/12	05/23/12	1.250%	420,000.00		420,000.00	
09-43/09-07	Purchase of Inlet Cleaning Vacuum Truck	05/24/11	05/23/12	05/23/12	1.250%	8,000.00		8,000.00	
09-19	Purchase of Roll Off Truck	09/01/09	05/24/11	05/23/12	1.250%	189,750.00		189,750.00	
09-31	Acquisition of Property for Open Space	09/01/09	05/24/11	05/23/12	1.250%	1,578,750.00		1,578,750.00	
10-21	Various Improvements to Various Sports Facilities	12/01/10	05/24/11	05/23/12	1.250%	228,100.00		228,100.00	
10-22	Various Improvements to Various Parks	12/01/10	05/24/11	05/23/12	1.250%	100,000.00		100,000.00	
10-25	Various 2010 Roadway Improvements	12/01/10	05/24/11	05/23/12	1.250%	1,717,500.00		1,717,500.00	
12-18/10-26	Various 2010 Drainage Improvements	12/01/10	05/24/11	05/23/12	1.250%	506,000.00		506,000.00	
10-29	Acquisition/Installation of Various Equipment for Police Department	12/01/10	05/24/11	05/23/12	1.250%	455,000.00		455,000.00	
10-30	Various Improvements to a Fire Department Ladder Truck	12/01/10	05/24/11	05/23/12	1.250%	370,000.00		370,000.00	
10-31	Acquisition of Various Police Vehicles	12/01/10	05/24/11	05/23/12	1.250%	100,000.00		100,000.00	
10-32	Acquisition of Various Vehicles/Equipment for Public Works Department	12/01/10	05/24/11	05/23/12	1.250%	576,000.00		576,000.00	
09-42/09-06	Construction of Vehicle Wash Facility	12/01/10	05/24/11	05/23/12	1.250%	28,150.00		28,150.00	
09-42/09-06	Construction of Vehicle Wash Facility	05/24/11	05/23/12	05/23/12	1.250%	8,750.00		8,750.00	
09-42/09-06	Construction of Vehicle Wash Facility	12/21/11	05/22/12	05/21/13	1.000%	355,100.00	\$ 355,100.00	355,100.00	\$ 355,100.00
11-18	Improvements to Various Parks	12/21/11	05/22/12	05/21/13	1.000%	100,000.00		100,000.00	100,000.00
11-18	Improvements to Various Parks	12/21/11	05/22/12	05/21/13	1.500%				
11-20	Police Radio Upgrade - Phase 2	12/21/11	05/22/12	05/23/12	1.000%	327,027.00		327,027.00	327,027.00
11-20	Police Radio Upgrade - Phase 2	12/21/11	05/22/12	05/21/13	1.500%				
11-21	Acquisition of Police Equipment	12/21/11	05/22/12	05/23/12	1.000%	56,468.00		56,468.00	56,468.00
11-21	Acquisition of Police Equipment	12/21/11	05/22/12	05/21/13	1.500%				
11-23	Acquisition of Computer Equipment	12/21/11	05/22/12	05/23/12	1.000%	65,930.00		65,930.00	65,930.00
11-23	Acquisition of Computer Equipment	12/21/11	05/22/12	05/21/13	1.500%				
12-10/11-24	Improvements to Ambulances	12/21/11	05/22/12	05/23/12	1.000%	142,500.00		142,500.00	142,500.00
12-10/11-24	Improvements to Ambulances	12/21/11	05/22/12	05/21/13	1.500%				
12-10/11-24	Improvements to Ambulances	05/22/12	05/22/12	05/21/13	1.500%	57,000.00	57,000.00		57,000.00

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2012

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
11-25 11-25	Improvements to Municipal Building Improvements to Municipal Building	12/21/11 12/21/11	12/21/11 05/22/12	05/23/12 05/21/13	1.000% 1.500%	31,350.00	31,350.00	31,350.00	31,350.00
11-26 11-26	Acquisition of Public Works Equipment Acquisition of Public Works Equipment	12/21/11 12/21/11	12/21/11 05/22/12	05/23/12 05/21/13	1.000% 1.500%	715,825.00	715,825.00	715,825.00	715,825.00
11-27 11-27	Various Roadway Improvements Various Roadway Improvements	12/21/11 12/21/11	12/21/11 05/22/12	05/23/12 05/21/13	1.000% 1.500%	1,500,000.00	1,350,000.00	1,500,000.00	1,350,000.00
12-11/11-31	Various Stormwater Improvements	12/21/11	12/21/11	05/23/12	1.000%	300,000.00		300,000.00	
12-02	Acquisition of DPW Equipment	05/22/12	05/22/12	05/21/13	1.500%		897,750.00		897,750.00
12-03	Various Roadway Improvements	05/22/12	05/22/12	05/21/13	1.500%		1,045,000.00		1,045,000.00
12-04	Acquisition of Various PD Equipment	05/22/12	05/22/12	05/21/13	1.500%		95,000.00		95,000.00
12-05	Township Radio System Upgrade Project	05/22/12	05/22/12	05/21/13	1.500%		736,250.00		736,250.00
12-06	Purchase of Computer Equipment	05/22/12	05/22/12	05/21/13	1.500%		95,000.00		95,000.00
12-24/12-07	Various Improvements to Parks	05/22/12	05/22/12	05/21/13	1.500%		47,500.00		47,500.00
						<u>\$ 11,559,200.00</u>	<u>\$ 6,117,700.00</u>	<u>\$ 11,559,200.00</u>	<u>\$ 6,117,700.00</u>
						C			
						Reference			
						1-C, 15-C 7-C			
						C, 5-C			
						Cash			
						Non-Cash Rollover			
						<u>\$ 2,973,500.00</u>	<u>\$ 8,415,000.00</u>	<u>\$ 8,415,000.00</u>	<u>\$ 8,415,000.00</u>
						<u>3,144,200.00</u>	<u>3,144,200.00</u>	<u>3,144,200.00</u>	<u>3,144,200.00</u>
						<u>\$ 6,117,700.00</u>	<u>\$ 11,559,200.00</u>	<u>\$ 11,559,200.00</u>	<u>\$ 11,559,200.00</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 1,392,215.89
Increased By:		
Encumbered in 2012	10-C	<u>2,672,134.54</u>
		4,064,350.43
Decreased By:		
Transferred To Improvement Authorizations	10-C	<u>1,392,215.89</u>
Balance, December 31, 2012	C	<u><u>\$ 2,672,134.54</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF LOANS PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 3,141,576.41
Decreased By:		
Budget Appropriation	4-C	<u>312,991.46</u>
Balance, December 31, 2012	C	<u><u>\$ 2,828,584.95</u></u>

Analysis of Balance

Acquisition of Mill Creek Park	\$ 16,246.90
Mill Creek Development	42,218.80
Manahawkin Lake Development	316,896.16
Acquisition of Nautilus Park	725,782.82
Acquisition of Ocean Acres Park	32,235.38
Rudder Park Development - Phase I	252,637.97
Ocean Acres Park Development	183,864.98
Rudder Park Acquisition	120,963.81
Rudder Park Development - Phase II	267,792.04
Manahawkin Lake - Phase I	241,927.60
Manahawkin Lake - Phase II	378,018.49
Nautilus Park - Phase II	<u>250,000.00</u>
	<u><u>\$ 2,828,584.95</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2012

Ordinance Number	Improvement Description	Ordinance Amount	Balance December 31, 2011		Transferred From Encumbrances	2012 Authorizations	Expended	Encumbered	Balance December 31, 2012	
			Funded	Unfunded					Funded	Unfunded
09-12/04-57	Construction of Bulkhead and Other Improvements To Mill Creek Park	270,000.00	\$ 77,500.00	\$ 47,500.00					\$ 125,000.00	\$
09-30/08-20/07-09/06-07/04-59	Design Improvements for Intersection of Mill Creek Road/Route 72	165,000.00	164,374.78		\$ 1,825.00			\$ 1,825.00	162,334.78	
09-27/08-10/10/08-44/07-10/01/07-74/06-83/06-46	Update of Master Plan Elements as Part of Regional Center Petition	595,000.00	12,840.98						12,804.34	
08-82	Reconstruction and Resurfacing of Roads - Deer Haven	805,000.00	128,002.93	50,000.00					178,002.93	
08-103	Closure of Landfill	100,000.00	73,025.23						67,084.00	
08-113	Acquisition of Fire Truck	495,000.00			19,398.00			19,398.00		355,100.00
09-42/09-06	Construction of Vehicle Wash Facility	411,600.00	372,938.26						1,867.26	
09-43/09-07	Purchase of Inlet Cleaning Vacuum Truck	449,400.00	49,766.89		397,277.00				24,966.89	
10-21	Various Improvements to Various Sports Facilities	239,505.00	57,677.16						8,005.31	
10-22	Various Improvements to Various Parks	105,000.00	4,600.00		6,730.46			2,338.36		
10-25	Various 2010 Roadway Improvements	1,988,750.00	1,417,486.19						1,417,486.19	79,668.36
12-18/10-26	Various 2010 Drainage Improvements	831,300.00	290,865.99		275.23	\$ 300,000.00		143,173.07	303,406.28	
10-29	Acquisition/Installation of Various Equipment for Police Department	477,750.00	353,452.30		47,200.00			4,539.00	58,042.50	
10-30	Various Improvements to a Fire Department Ladder Truck	388,500.00	58,042.50						4,494.62	
10-31	Acquisition of Various Police Vehicles	105,000.00	6,532.42					133.62	5,500.00	
10-32	Acquisition/Installation of Various Vehicles/Equipment for DPW	604,800.00	45,780.18		276,885.73			20,710.00	28,678.29	922.28
11-16	Improvements to Various Parks	105,000.00	77,981.60		7,071.66			301,819.49	19,399.52	19,399.52
11-20	Police Radio Upgrade - Phase 2	344,240.00	326,219.01					12,483.01	37,033.49	1,967.80
11-21	Acquisition of Police Equipment	59,440.00	51,484.30					2,027.23	23,784.00	
11-23	Acquisition of Computer Equipment	69,400.00	2,000.60		23,810.63			101,956.10	102,734.97	4,810.57
12-10/11-24	Improvements to Ambulances	210,000.00	7,001.64			60,000.00		12,749.00	19,749.52	19,749.52
11-25	Improvements to Municipal Building	33,000.00	1,148.52					5,867.00	24,088.33	24,088.33
11-26	Acquisition of Public Works Equipment	753,500.00	459,716.06		35,713.00			207,709.38	161,028.07	161,028.07
11-27	Various Roadway Improvements	1,500,000.00	195,325.98		576,029.18			613,040.21	502,034.35	502,034.35
12-01	Various Stormwater Improvements	1,640,000.00	213,785.43			1,325,000.00		211,800.00	44,400.61	44,400.61
12-02	Acquisition of Various Vehicles/Equipment for DPW	945,000.00				945,000.00		191,108.85	261,460.77	261,460.77
12-03	Various Roadway Improvements	1,100,000.00				1,000,000.00		92,600.00	6,738.12	6,738.12
12-04	Acquisition of Police Equipment	100,000.00				100,000.00		661.88	92,677.57	92,677.57
12-05	Radio System Upgrade Project	775,000.00				775,000.00		891,665.75	3,976.25	3,976.25
12-06	Purchase of Computer Equipment	100,000.00				100,000.00		39,483.47	75,707.42	75,707.42
12-24/12-07	Improvements to Various Parks	125,000.00				125,000.00		208.00		
			\$ 463,894.08	\$ 4,254,984.87	\$ 1,392,215.89	\$ 4,830,000.00	\$ 4,223,027.37	\$ 2,672,134.54	\$ 2,392,203.39	\$ 1,653,729.54
			C	C	8-C		1-C	8-C	C	C,5-C
	Deferred Charges - Unfunded	Reference								
	Capital Improvement Fund	5-C, 15-C				\$ 4,654,750.00				
		11-C				175,250.00				
						\$ 4,830,000.00				

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 219,028.99
Decreased By:		
Appropriated To Finance Improvement Authorizations	10-C	<u>175,250.00</u>
Balance, December 31, 2012	C	<u><u>\$ 43,778.99</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DEBT SERVICE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	C	\$ 7,448.00
Increased By:		
Cash Receipts	1-C	<u>139,750.00</u>
		147,198.00
Decreased By:		
Anticipated as Revenue in Current Fund	1-C	<u>7,448.00</u>
Balance, December 31, 2012	C	<u><u>\$ 139,750.00</u></u>
	Reserve to Pay Bonds	\$ 89,750.00
	Reserve to Pay Notes (2011-27)	<u>50,000.00</u>
		<u><u>\$ 139,750.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DEVELOPER CONTRIBUTIONS

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011	C	\$ <u>42,000.00</u>
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TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR COMMUNITY CENTER DONATIONS

Year ended December 31, 2012

Reference

Increased By:		
Cash Receipts	1-C	<u>\$ 250,000.00</u>
Balance, December 31, 2012	C	<u><u>\$ 250,000.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2012

Ordinance Number	Improvement Description	Balance December 31, 2011	2012 Authorizations	Serial Bonds Issued	BANs Matured	BANs Issued	Grants Received/ Raised in Budget	Balance December 31, 2012
		\$	1.00	\$	\$	\$	1.00	
11-20	General Improvements:							
08-82	Police Radio Upgrade - Phase 2			\$ 50,000.00	\$ 50,000.00			
09-12/04-57	Reconstruction/Resurfacing of Roads - Deer Haven			47,500.00	47,500.00			
09-04	Construction of Bulkhead at Mill Creek Park			812,125.00	812,125.00			
09-05	Purchase 4 Automated Trucks for Single Stream Recycling			769,375.00	769,375.00			
09-42/09-06	Purchase of Containers for Single Stream Recycling			36,900.00	36,900.00			
09-43/09-07	Construction of Vehicle Wash Facility			428,000.00	428,000.00			
09-19	Purchase of Inlet Cleaning Vacuum Truck			189,750.00	189,750.00			
09-31	Purchase of Roll Off Truck			1,578,750.00	1,578,750.00			
10-21	Acquisition of Property for Open Space			228,100.00	228,100.00			
10-22	Various Improvements to Various Sports Facilities			100,000.00	100,000.00			
10-25	Various Improvements to Various Parks			1,717,500.00	1,717,500.00			
12-18/10-26	Various 2010 Roadway Improvements			506,000.00	506,000.00			
10-29	Various 2010 Drainage Improvements		\$ 285,000.00	455,000.00	455,000.00			\$ 285,000.00
10-30	Acquisition/Installation of Various Equipment for Police Department			370,000.00	370,000.00			
10-31	Various Improvements to a Fire Department Ladder Truck			100,000.00	100,000.00			
10-32	Acquisition of Various Police Vehicles			576,000.00	576,000.00			
11-27	Acquisition/Installation of Various Vehicles/Equipment for DPW						150,000.00	
12-10/11-24	Various Roadway Improvements							
12-11/11-31	Improvements to Ambulances		57,000.00			\$ 57,000.00		
12-2	Various Stormwater Improvements		1,325,000.00		300,000.00			1,625,000.00
12-3	Acquisition of Various Equipment for DPW		897,750.00			897,750.00		
12-4	Various Roadway Improvements		1,045,000.00			1,045,000.00		
12-5	Acquisition of Various Police Equipment		95,000.00			95,000.00		
12-6	Township Radio System Upgrade Project		736,250.00			736,250.00		
12-24/12-7	Purchase of Various Computer Equipment		95,000.00			95,000.00		
	Various Improvements to Various Parks		118,750.00			47,500.00		71,250.00
		\$	1.00	\$ 7,965,000.00	\$ 8,415,000.00	\$ 2,973,500.00	\$ 150,001.00	\$ 1,981,250.00
	Reference		10-C	6-C	7-C	7-C	5-C	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY FUND

SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER

Year ended December 31, 2012

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2011	D	\$ 682,859.29	\$ 3,128,127.85
Increased By Receipts:			
Water/Sewer Utility Revenue	D-3	13,166,717.98	
Premium on Sale of Bonds and Notes	D-2		142,778.89
Due From N.J.E.I.T.	8-D		6,887.00
Prepaid Revenue	12-D	26,224.37	
Serial Bonds	13-D		4,035,000.00
Bond Anticipation Notes	15-D		1,187,500.00
Due To Water/Sewer Capital Fund	D	1,210,000.00	
Reserve for Debt Service	21-D		205,744.29
		<u>14,402,942.35</u>	<u>5,577,910.18</u>
		<u>15,085,801.64</u>	<u>8,706,038.03</u>
Decreased By Disbursements:			
Capital Fund Balance	D-2		286,560.40
Reserve for Debt Service	21-D		78,975.60
2012 Appropriations	D-4	11,399,441.86	
Appropriation Reserves	9-D	23,971.80	
Accrued Interest on Bonds and Notes	11-D	2,023,454.56	
Bond Anticipation Notes	15-D		4,035,000.00
Due From Water/Sewer Operating Fund	D		1,210,000.00
Improvement Authorizations	16-D		896,742.39
		<u>13,446,868.22</u>	<u>6,507,278.39</u>
Balance, December 31, 2012	D	<u>\$ 1,638,933.42</u>	<u>\$ 2,198,759.64</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF WATER/SEWER UTILITY CAPITAL FUND CASH AND CASH EQUIVALENTS

Year ended December 31, 2012

	Balance December 31, <u>2012</u>
Fund Balance	\$ 142,778.89
Due From Water/Sewer Operating Fund	(1,210,000.00)
Capital Improvement Fund	10,000.00
Contracts/Encumbrances Payable	1,132,755.28
Reserve for:	
Debt Service	205,744.29
Down Payments on Improvements	2,625.00

Improvement Authorizations

<u>Ordinance Number</u>	<u>Improvement Description</u>	
06-10	Purchase Equipment for Water and Sewer Department	18,926.14
06-26	Water/Sewer Line Oversizing	70,000.00
08-31/07-91/06-22	Beachview Area Water and Sewer Extension Project	5,612.13
08-61	Beach Haven West Phase 2 Sewer Rehabilitation	10,344.18
09-40/09-09	Route 9/Oak Avenue Water Main Loop	312,426.30
10-27	Water Mains along Route 9	284,877.07
10-28/07-84/03-47	Purchase of Water/Sewer System Equipment	40,211.35
10-33	Acquisition/Installation of Grinder Pumps	8,831.17
11-19	Various Water System Improvements	3,074.10
11-22	Various Water Main Improvements	137,325.10
12-08	Various Water/Sewer Improvements	708,495.48
12-09	Purchase of Various Water/Sewer Equipment	314,733.16
		<u>\$ 2,198,759.64</u>

Reference D,1-D

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF DEFERRED CHARGE - DEFICIT IN OPERATIONS

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 191,734.08
Increased By:		
Deficit Resulting in 2012 Operations	D-1	<u>411,169.89</u>
		602,903.97
Decreased By:		
Budget Appropriation	D-4	<u>191,734.08</u>
Balance, December 31, 2012	D	<u><u>\$ 411,169.89</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	D	\$	239,801.19
Increased By:			
Water/Sewer Charges Levied in 2012			<u>12,650,414.49</u>
			12,890,215.68
Decreased By:			
Collections - Rents, Surcharges, Connection Fees		\$	12,474,730.81
Prepaid Revenue Applied	D-3, 12-D		103,346.17
Transfer to Water-Sewer Liens Receivable	5-D		<u>14,950.50</u>
			<u>12,593,027.48</u>
Balance, December 31, 2012	D	\$	<u><u>297,188.20</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF WATER-SEWER LIENS RECEIVABLE

Year ended December 31, 2012

Reference

Increased By:

Transfer from Consumer Accounts Receivable	4-D	<u>\$ 14,950.50</u>
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Balance, December 31, 2012	D	<u><u>\$ 14,950.50</u></u>
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TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Increased</u>	Balance December 31, <u>2012</u>
Land	\$ 3,222,734.82		\$ 3,222,734.82
Buildings and Improvements	3,201,100.59		3,201,100.59
Improvements Other Than Buildings	130,393,246.32	\$ 1,249,977.16	131,643,223.48
Machinery and Equipment	3,590,446.88	113,123.92	3,703,570.80
Furniture and Fixtures	240,006.00		240,006.00
Soft Costs	366,886.90		366,886.90
	<u>\$ 141,014,421.51</u>	<u>\$ 1,363,101.08</u>	<u>\$ 142,377,522.59</u>
<u>Reference</u>	D	7-D	D

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL AUTHORIZED AND UNCOMPLETED

Year ended December 31, 2012

Ordinance Number	Improvement Description	Ordinance		Balance December 31, 2011	2012 Authorizations	Decreases	Balance December 31, 2012
		Date	Amount				
07-84/03-47	Purchase of Water and Sewer Equipment	09/04/07	\$ 395,000.00	\$ 51,815.20		\$ 11,603.85	\$ 40,211.35
06-10	Purchase Equipment for Water and Sewer Department	02/21/06	193,000.00	73,814.19		35,351.24	38,462.95
06-26	Water/Sewer Line Oversizing	05/02/06	400,000.00	70,000.00			70,000.00
08-31/07-91/06-22	Beachview Area Water and Sewer Extension Project	02/19/08	6,334,000.00	59,804.13		54,192.00	5,612.13
08-61	Beach Haven West Phase 2 Sewer Rehabilitation	07/01/08	1,000,000.00	155,594.47		16,090.67	139,503.80
09-11	Ocean Acres Water System Transmission Lines Phase 5	03/03/09	9,481,405.00	416,171.00		416,171.00	
09-40/09-09	Route 9/Oak Avenue Water Main Loop	08/04/09	800,000.00	800,000.00		487,573.70	312,426.30
09-48/08-33/07-76	Replacement of Mill Creek Road Water Main	11/02/09	4,655,000.00	304,683.06		52,110.86	252,572.20
10-27	Water Mains Along Rt. 9	08/17/10	920,000.00	920,000.00		633,122.93	286,877.07
10-33	Acquisition and Installation of Grinder Pumps	09/07/10	75,000.00	75,000.00		66,168.83	8,831.17
11-19	Various Water System Improvements	07/12/11	320,000.00	320,000.00			320,000.00
11-22	Various Water Main Improvements	07/12/11	799,100.00	799,100.00			799,100.00
12-08	Various Water/Sewer Improvements	02/21/12	795,000.00		\$ 795,000.00		795,000.00
12-09	Purchase of Various Water/Sewer Equipment	02/21/12	455,000.00		455,000.00		455,000.00
				<u>\$ 4,045,982.05</u>	<u>\$ 1,250,000.00</u>	<u>\$ 1,772,385.08</u>	<u>\$ 3,523,596.97</u>
				D	16-D	D	D
	Funded Authorizations Cancelled					\$ 409,284.00	
	Transferred to Fixed Capital					<u>1,363,101.08</u>	
						<u>\$ 1,772,385.08</u>	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF DUE FROM N.J.E.I.T.

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	D		\$ 416,171.00
Decreased By:			
Cash Receipts	1-D	\$ 6,887.00	
Loans Payable Cancelled	14-D	364,544.00	
Reserve for Amortization	22-D	<u>44,740.00</u>	
			<u>\$ 416,171.00</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF APPROPRIATION RESERVES

Year ended December 31, 2012

	Balance December 31, 2012	Transfer From Encumbrances Payable	Balance After Transfers	Paid	Balance Lapsed
Operating:					
Salaries and Wages	\$ 235.93		\$ 235.93		\$ 235.93
Other Expenses	39,714.27	\$ 16,351.79	56,066.06	\$ 23,971.80	32,094.26
Statutory Expenditures:					
Social Security System	326.96		326.96		326.96
	<u>\$ 40,277.16</u>	<u>\$ 16,351.79</u>	<u>\$ 56,628.95</u>	<u>\$ 23,971.80</u>	<u>\$ 32,657.15</u>
Reference	D	10-D		1-D	D-1

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 16,351.79
Increased By:		
Encumbered in 2012	D-4	<u>17,232.11</u>
		33,583.90
Decreased By:		
Transferred To Appropriation Reserves	9-D	<u>16,351.79</u>
Balance, December 31, 2012	D	<u><u>\$ 17,232.11</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

Year ended December 31, 2012

	Reference	
Balance, December 31, 2011	D	\$ 714,840.13
Increased By:		
Budget Appropriation	D-4	<u>2,023,732.62</u>
		2,738,572.75
Decreased By:		
Interest Paid	1-D	<u>2,023,454.56</u>
Balance, December 31, 2012	D	<u>\$ 715,118.19</u>

Analysis of Accrued Interest - December 31, 2012

Principal Outstanding December 31, 2012	Interest Rate	From	To	Period	Amount
Bond Anticipation Note:					
\$ 2,308,800.00	1.50%	05/22/12	12/31/12	218 Days	\$ 20,971.60
<u>\$ 2,308,800.00</u>					<u>\$ 20,971.60</u>
Loans:					
\$ 250,000.00	5.000%	12/01/12	12/31/12	1 Month	\$ 1,041.67
275,000.00	5.130%	12/01/12	12/31/12	1 Month	1,175.63
645,000.00	5.250%	12/01/12	12/31/12	1 Month	2,821.88
843,641.07	0.000%	12/01/12	12/31/12	1 Month	
825,000.00	4.000%	11/01/12	12/31/12	2 Months	5,500.00
605,000.00	4.250%	11/01/12	12/31/12	2 Months	4,285.42
1,425,000.00	4.375%	11/01/12	12/31/12	2 Months	10,390.63
325,000.00	4.500%	11/01/12	12/31/12	2 Months	2,437.50
490,000.00	5.000%	11/01/12	12/31/12	2 Months	4,083.33
3,020,142.47	0.000%	11/01/12	12/31/12	2 Months	
680,000.00	4.000%	08/01/12	12/31/12	5 Months	11,333.33
385,000.00	4.125%	08/01/12	12/31/12	5 Months	6,617.19
335,000.00	4.250%	08/01/12	12/31/12	5 Months	5,932.29
780,000.00	5.000%	08/01/12	12/31/12	5 Months	16,250.00
1,853,135.98	0.000%	08/01/12	12/31/12	5 Months	
1,365,000.00	5.000%	11/01/12	12/31/12	2 Months	11,375.00
180,000.00	3.500%	11/01/12	12/31/12	2 Months	1,050.00
190,000.00	3.600%	11/01/12	12/31/12	2 Months	1,140.00
485,000.00	4.000%	11/01/12	12/31/12	2 Months	3,233.33
285,000.00	4.250%	11/01/12	12/31/12	2 Months	2,018.75
520,000.00	4.500%	11/01/12	12/31/12	2 Months	3,900.00
2,566,741.94	0.000%	11/01/12	12/31/12	2 Months	
1,420,000.00	5.000%	11/01/12	12/31/12	2 Months	11,833.33
115,000.00	5.250%	11/01/12	12/31/12	2 Months	1,006.25
525,000.00	5.500%	11/01/12	12/31/12	2 Months	4,812.50
1,770,983.01	0.000%	11/01/12	12/31/12	2 Months	
67,935.54	Various	08/01/12	12/31/12	5 Months	834.36
83,182.76	0.000%	08/01/12	12/31/12	5 Months	
75,000.00	3.000%	08/01/12	12/31/12	5 Months	937.50
95,000.00	3.500%	08/01/12	12/31/12	5 Months	1,385.42
655,000.00	4.000%	08/01/12	12/31/12	5 Months	10,916.67
480,000.00	5.000%	08/01/12	12/31/12	5 Months	10,000.00
<u>3,486,393.34</u>	0.000%	08/01/12	12/31/12	5 Months	
<u>\$ 27,102,156.11</u>					<u>\$ 136,311.98</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

Year ended December 31, 2012

Analysis of Accrued Interest - December 31, 2012 (continued)

Principal Outstanding December 31, 2012	Interest Rate	From	To	Period	Amount
Serial Bonds:					
\$ 45,000.00	2.000%	12/01/12	12/31/12	1 Month	\$ 75.00
575,000.00	5.000%	12/01/12	12/31/12	1 Month	2,395.83
645,000.00	2.500%	12/01/12	12/31/12	1 Month	1,343.75
630,000.00	2.500%	12/01/12	12/31/12	1 Month	1,312.50
420,000.00	2.750%	12/01/12	12/31/12	1 Month	962.50
435,000.00	3.000%	12/01/12	12/31/12	1 Month	1,087.50
445,000.00	3.125%	12/01/12	12/31/12	1 Month	1,158.85
465,000.00	3.250%	12/01/12	12/31/12	1 Month	1,259.38
560,000.00	3.500%	12/01/12	12/31/12	1 Month	1,633.33
1,170,000.00	4.000%	12/01/12	12/31/12	1 Month	3,900.00
1,200,000.00	5.000%	12/01/12	12/31/12	1 Month	5,000.00
4,605,000.00	4.000%	08/01/12	12/31/12	5 Months	76,750.00
685,000.00	4.125%	08/01/12	12/31/12	5 Months	11,773.44
715,000.00	4.200%	08/01/12	12/31/12	5 Months	12,512.50
1,525,000.00	4.250%	08/01/12	12/31/12	5 Months	27,005.21
815,000.00	4.375%	08/01/12	12/31/12	5 Months	14,856.77
2,625,000.00	4.500%	08/01/12	12/31/12	5 Months	49,218.75
465,000.00	3.000%	07/01/12	12/31/12	6 Months	6,975.00
755,000.00	4.000%	07/01/12	12/31/12	6 Months	15,100.00
2,105,000.00	3.000%	07/15/12	12/31/12	165 Days	28,943.75
2,640,000.00	4.000%	07/15/12	12/31/12	165 Days	48,400.00
660,000.00	4.250%	07/15/12	12/31/12	165 Days	12,856.25
330,000.00	4.500%	07/15/12	12/31/12	165 Days	6,806.25
2,821,000.00	3.000%	07/01/12	12/31/12	6 Months	42,315.00
1,975,000.00	4.000%	07/01/12	12/31/12	6 Months	39,500.00
445,000.00	4.100%	07/01/12	12/31/12	6 Months	9,122.50
460,000.00	4.125%	07/01/12	12/31/12	6 Months	9,487.50
985,000.00	4.200%	07/01/12	12/31/12	6 Months	20,685.00
1,325,000.00	5.000%	07/01/12	12/31/12	6 Months	33,125.00
220,000.00	2.000%	05/22/12	12/31/12	218 Days	2,664.44
220,000.00	2.500%	05/22/12	12/31/12	218 Days	3,330.56
2,945,000.00	3.000%	05/22/12	12/31/12	218 Days	53,500.83
440,000.00	3.125%	05/22/12	12/31/12	218 Days	8,326.39
210,000.00	3.500%	05/22/12	12/31/12	218 Days	4,450.83
<u>\$ 36,561,000.00</u>					<u>557,834.61</u>
					<u>\$ 715,118.19</u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF PREPAID REVENUE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 103,346.17
Increased By:		
Cash Receipts	1-D	<u>26,224.37</u>
		129,570.54
Decreased By:		
Prepaid Revenue Applied	D-3, 4-D	<u>103,346.17</u>
Balance, December 31, 2012	D	<u><u>\$ 26,224.37</u></u>

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2012

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
			Outstanding	December 31, 2012					
Water and Sewer Improvements	07/01/05	\$ 10,151,000.00	07/01/13	\$ 315,000.00	5.000%				
			07/01/14	325,000.00	5.000%				
			07/01/15	335,000.00	5.000%				
			07/01/16	350,000.00	5.000%				
			07/01/17	365,000.00	4.000%				
			07/01/18	380,000.00	4.000%				
			07/01/19	395,000.00	4.000%				
			07/01/20	410,000.00	4.000%				
			07/01/21	425,000.00	4.000%				
			07/01/22	445,000.00	4.100%				
			07/01/23	460,000.00	4.125%				
			07/01/24	480,000.00	4.200%				
			07/01/25	505,000.00	4.200%				
			07/01/26	525,000.00	3.000%				
			07/01/27	545,000.00	3.000%				
			07/01/28	570,000.00	3.000%				
			07/01/29	585,000.00	3.000%				
			07/01/30	596,000.00	3.000%	\$ 8,321,000.00		\$ 310,000.00	\$ 8,011,000.00
Water and Sewer Improvements	08/26/08	12,800,000.00	08/01/13	500,000.00	4.000%				
			08/01/14	520,000.00	4.000%				
			08/01/15	540,000.00	4.000%				
			08/01/16	560,000.00	4.000%				
			08/01/17	585,000.00	4.000%				
			08/01/18	605,000.00	4.000%				
			08/01/19	635,000.00	4.000%				
			08/01/20	660,000.00	4.000%				
			08/01/21	685,000.00	4.125%				
			08/01/22	715,000.00	4.200%				
			08/01/23	745,000.00	4.250%				
			08/01/24	780,000.00	4.250%				
			08/01/25	815,000.00	4.375%				
			08/01/26	850,000.00	4.500%				
			08/01/27	885,000.00	4.500%				
			08/01/28	890,000.00	4.500%	11,450,000.00		480,000.00	10,970,000.00

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2012

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
			Outstanding						
			Date	Amount					
Refunding Bonds	03/12/09	\$ 9,345,000.00	12/01/13	630,000.00	2.500%				
			12/01/14	420,000.00	2.750%				
			12/01/15	435,000.00	3.000%				
			12/01/16	445,000.00	3.125%				
			12/01/17	465,000.00	3.250%				
			12/01/18	560,000.00	3.500%				
			12/01/19	565,000.00	4.000%				
			12/01/20	605,000.00	4.000%				
			12/01/21	590,000.00	5.000%				
			12/01/22	610,000.00	5.000%	\$ 5,930,000.00	\$ 605,000.00	\$ 5,325,000.00	
Refunding Bonds	04/28/09	2,890,000.00	06/01/13	45,000.00	2.000%				
			06/01/13	575,000.00	5.000%				
			06/01/14	645,000.00	2.500%	1,860,000.00	595,000.00	1,265,000.00	
Refunding Bonds	01/27/11	1,440,000.00	07/01/13	230,000.00	3.000%				
			07/01/14	235,000.00	3.000%				
			07/01/15	245,000.00	4.000%				
			07/01/16	250,000.00	4.000%				
			07/01/17	260,000.00	4.000%	1,440,000.00	220,000.00	1,220,000.00	
Water and Sewer Improvements	05/24/11	5,900,000.00	01/15/13	165,000.00	3.000%				
			01/15/14	165,000.00	3.000%				
			01/15/15	270,000.00	3.000%				
			01/15/16	285,000.00	3.000%				
			01/15/17	290,000.00	3.000%				
			01/15/18	300,000.00	3.000%				
			01/15/19	310,000.00	3.000%				
			01/15/20	320,000.00	3.000%				
			01/15/21	330,000.00	4.000%				
			01/15/22	330,000.00	4.000%				
			01/15/23	330,000.00	4.000%				
			01/15/24	330,000.00	4.000%				
			01/15/25	330,000.00	4.000%				
			01/15/26	330,000.00	4.000%				
			01/15/27	330,000.00	4.000%				
			01/15/28	330,000.00	4.000%				
			01/15/29	330,000.00	4.250%				
			01/15/30	330,000.00	4.250%				
			01/15/31	330,000.00	4.500%	5,900,000.00	165,000.00		5,735,000.00

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2012

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2011	Increased	Decreased	Balance December 31, 2012
			Date	Amount					
Water and Sewer Improvements	05/22/12	4,035,000.00	01/15/13	110,000.00	2.000%				
			01/15/14	110,000.00	2.000%				
			01/15/15	200,000.00	3.000%				
			01/15/16	200,000.00	3.000%				
			01/15/17	200,000.00	3.000%				
			01/15/18	200,000.00	3.000%				
			01/15/19	200,000.00	3.000%				
			01/15/20	200,000.00	3.000%				
			01/15/21	210,000.00	3.500%				
			01/15/22	210,000.00	3.000%				
			01/15/23	215,000.00	3.000%				
			01/15/24	220,000.00	2.500%				
			01/15/25	220,000.00	3.000%				
			01/15/26	220,000.00	3.000%				
			01/15/27	220,000.00	3.000%				
			01/15/28	220,000.00	3.000%				
01/15/29	220,000.00	3.000%							
01/15/30	220,000.00	3.000%							
01/15/31	220,000.00	3.125%							
01/15/32	220,000.00	3.125%							
						<u>\$ 4,035,000.00</u>			<u>\$ 4,035,000.00</u>
						<u><u>\$ 34,901,000.00</u></u>			<u><u>\$ 36,561,000.00</u></u>
					Reference	D	1-D	22-D	D

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND
SCHEDULE OF LOANS PAYABLE

Year ended December 31, 2012

<u>Improvement Description</u>	<u>Original Issue</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2011</u>	<u>Decreased</u>	<u>Balance December 31, 2012</u>
N.J. Environmental Infrastructure Trust Loan	\$ 2,185,000.00	11/08/96	5.00 - 5.25%	\$ 1,285,000.00	\$ 115,000.00	\$ 1,170,000.00
N.J. Environmental Infrastructure Fund Loan	2,183,651.00	11/08/96	0.00%	952,822.02	109,180.95	843,641.07
N.J. Environmental Infrastructure Trust Loan	5,295,000.00	11/10/05	4.00 - 5.00%	3,900,000.00	230,000.00	3,670,000.00
N.J. Environmental Infrastructure Fund Loan	4,895,597.00	11/10/05	0.00%	3,283,306.75	263,164.28	3,020,142.47
N.J. Environmental Infrastructure Trust Loan	3,075,000.00	11/09/06	4.00 - 5.00%	2,305,000.00	125,000.00	2,180,000.00
N.J. Environmental Infrastructure Fund Loan	3,026,741.00	11/09/06	0.00%	2,008,475.18	155,339.20	1,853,135.98
N.J. Environmental Infrastructure Trust Loan	4,425,000.00	11/08/07	4.25 - 5.00%	3,200,000.00	175,000.00	3,025,000.00
N.J. Environmental Infrastructure Fund Loan	4,361,085.00	11/08/07	0.00%	2,790,031.46	223,289.52	2,566,741.94
N.J. Environmental Infrastructure Trust Loan	2,295,000.00	11/06/08	5.00 - 5.50%	2,140,000.00	80,000.00	2,060,000.00
N.J. Environmental Infrastructure Fund Loan	2,263,923.00	11/06/08	0.00%	1,885,734.51	114,751.50	1,770,983.01
N.J. Environmental Infrastructure Trust Loan	100,180.18	12/02/09	0.65 - 4.15%	95,909.74	27,974.20	67,935.54
N.J. Environmental Infrastructure Fund Loan	288,693.00	12/02/09	0.00%	88,075.85	4,893.09	83,182.76
N.J. Environmental Infrastructure Trust Loan	1,405,000.00	03/10/10	3.00 - 5.00%	1,355,000.00	50,000.00	1,305,000.00
N.J. Environmental Infrastructure Fund Loan	4,221,645.00	03/10/10	0.00%	3,999,453.17	513,059.83	3,486,393.34
				<u>\$ 29,288,808.68</u>	<u>\$ 2,186,652.57</u>	<u>\$ 27,102,156.11</u>
			<u>Reference</u>	<u>D</u>		<u>D</u>

Budget Charges
Cancelled

22-D
8-D

\$ 1,822,108.57
364,544.00
\$ 2,186,652.57

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2011			Balance December 31, 2012
							Increased	Decreased	
08-31/07-91/06-22	Beachview Area Water and Sewer Extension Project	09/01/09	05/24/11	05/23/12	1.250%	\$ 712,200.00	\$	712,200.00	
09-10/07-51	Preparation of Sewer Wastewater Management Plan	09/01/09	05/24/11	05/23/12	1.250%	30,000.00		30,000.00	
09-40/09-09	Route 9/Oak Avenue Water Main Loop	12/18/09	05/24/11	05/23/12	1.250%	737,800.00		737,800.00	
09-40/09-09	Route 9/Oak Avenue Water Main Loop	12/21/11	12/21/11	05/23/12	1.000%	2,200.00		2,200.00	
09-40/09-09	Route 9/Oak Avenue Water Main Loop	12/01/10	05/24/11	05/23/12	1.250%	50,000.00		50,000.00	
09-40/09-09	Route 9/Oak Avenue Water Main Loop	05/24/11	05/24/11	05/23/12	1.250%	10,000.00		10,000.00	
09-40/09-09	Route 9/Oak Avenue Water Main Loop	12/21/11	05/22/12	05/21/13	1.500%		\$ 2,200.00		\$ 2,200.00
09-48/08-33/07-76	Replacement of Millcreek Rd. Water Main	09/01/09	05/24/11	05/23/12	1.250%	1,500,000.00		1,500,000.00	
10-27	Water Mains along Route 9	12/01/10	05/24/11	05/23/12	1.250%	920,000.00		920,000.00	
10-33	Acquisition/Installation of Grinder Pumps	12/01/10	05/24/11	05/23/12	1.250%	75,000.00		75,000.00	
11-19	Various Water System Improvements	12/21/11	12/21/11	05/23/12	1.000%	320,000.00		320,000.00	320,000.00
11-19	Various Water System Improvements	12/21/11	05/22/12	05/21/13	1.500%		320,000.00		
11-22	Various Water Main Improvements	12/21/11	12/21/11	05/23/12	1.000%	799,100.00		799,100.00	799,100.00
11-22	Various Water Main Improvements	12/21/11	05/22/12	05/21/13	1.500%		799,100.00		
12-08	Various Water/Sewer Utility Improvements	05/22/12	05/22/12	05/21/13	1.500%	755,250.00		755,250.00	755,250.00
12-09	Purchase of Various Water/Sewer Equipment	05/22/12	05/22/12	05/21/13	1.500%	432,250.00		432,250.00	432,250.00
						<u>\$ 5,156,300.00</u>		<u>\$ 5,156,300.00</u>	<u>\$ 2,308,800.00</u>
						D			D
	Cash Non-Cash Rollover				Reference				
					1-D,23-D				
						\$ 1,187,500.00		\$ 4,035,000.00	
						1,121,300.00		1,121,300.00	
						\$ 2,308,800.00		\$ 5,156,300.00	

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2012

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2011		Transferred From Contracts/ Encumbrances Payable	2012 Authorizations	Expended	Cancelled	Contracts/ Encumbrances Payable	Balance December 31, 2012	
				Funded	Unfunded						Funded	Unfunded
06-10	Purchase Equipment for Water and Sewer Department	02/21/06	193,000.00	\$ 61,642.19		\$ 12,172.00		\$ 35,351.24		\$ 19,536.81	\$ 18,926.14	
06-26	Water/Sewer Line Oversizing	05/02/06	400,000.00	70,000.00							70,000.00	
08-31/07-91/06-22	Beachview Area Water and Sewer Extension Project	10/02/07	6,334,000.00		\$ 53,092.65	6,711.48		54,192.00			5,612.13	
08-61	Beach Haven West Phase 2 Sewer Rehabilitation	07/01/08	1,000,000.00	4,698.42		148,350.56		13,545.18		129,159.62	10,344.18	
09-11	Ocean Acres Water System Transmission Lines Phase 5	03/03/09	9,481,405.00	416,171.00					\$ 409,284.00			
09-40/09-09	Route 9/Oak Avenue Water Main Loop	08/04/09	800,000.00		271,877.46	45,442.52		6,887.00				
09-48/08-33/07-76	Replacement of Mill Creek Road Water Main	11/02/09	4,655,000.00		60.60	299,080.88		4,893.68				
10-27	Water Mains Along Rt. 9	08/17/10	920,000.00		559,761.80			46,569.28				
10-33	Purchase of Water and Sewer Equipment	09/07/10	395,000.00	51,815.20				272,884.73		252,572.20	310,226.30	\$ 2,200.00
11-19	Acquisition and Installation of Grinder Pumps	09/07/10	75,000.00		12,205.79	5,115.00		11,603.85		2,000.00	284,877.07	
11-22	Various Water System Improvements	07/12/11	320,000.00		24,037.10	272,202.35		8,489.82			40,211.35	
12-08	Various Water Main Improvements	07/12/11	799,100.00		722,200.85	67,000.00		278,163.00		15,002.35	8,831.17	
12-08	Various Water/Sewer Improvements	02/21/12	795,000.00				\$ 795,000.00	57,951.79		593,923.96	137,325.10	
12-09	Purchase of Various Water/Sewer Equipment	02/21/12	455,000.00				455,000.00	40,521.18		45,983.34	708,495.48	
								65,689.84		74,577.00		314,733.16
				\$ 604,326.81	\$ 1,643,236.25	\$ 856,074.79	\$ 1,250,000.00	\$ 896,742.39	\$ 409,284.00	\$ 1,132,755.28	\$ 749,028.34	\$ 1,165,827.84
	Reference			D	D	17-D		1-D	7-D	17-D	D	D
	Down Payments on Improvements	19-D, 20-D					\$ 62,500.00					
	Bonds and Notes Authorized	23-D					1,187,500.00					
		7-D					\$ 1,250,000.00					

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF CONTRACTS/ENCUMBRANCES PAYABLE

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 856,074.79
Increased By:		
Charges To Improvement Authorizations	16-D	<u>1,132,755.28</u>
		1,988,830.07
Decreased By:		
Transferred To Improvement Authorizations	16-D	<u>856,074.79</u>
Balance, December 31, 2012	D	<u><u>\$ 1,132,755.28</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2012

Reference

Balance, December 31, 2012 and 2011

D

\$ 10,000.00

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

Year ended December 31, 2012

Reference

Balance, December 31, 2011	D	\$ 65,125.00
Decreased By:		
Appropriated To Finance Improvement Authorizations	16-D	<u>62,500.00</u>
Balance, December 31, 2012	D	<u><u>\$ 2,625.00</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

Year ended December 31, 2012

	<u>Reference</u>	
Balance, December 31, 2011	D	\$ 40,000.00
Increased By:		
Appropriated To Finance Improvement Authorizations	16-D	<u>62,500.00</u>
		102,500.00
Decreased By:		
Transfer to Reserve for Amortization	22-D	<u>34,387.87</u>
Balance, December 31, 2012	D	<u><u>\$ 68,112.13</u></u>
<u>Analysis:</u>		
Ordinance Number:		
12-08		\$ 39,750.00
12-09		22,750.00
08-31/07-91/06-22		<u>5,612.13</u>
		<u><u>\$ 68,112.13</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEBT SERVICE

Year ended December 31, 2012

Reference

Balance, December 31, 2011	D	\$ 78,975.60
Increased By:		
Cash Receipts	1-D	<u>205,744.29</u>
		284,719.89
Decreased By:		
Anticipated as Revenue	1-D	<u>78,975.60</u>
Balance, December 31, 2012	D	<u><u>\$ 205,744.29</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2012

	<u>Reference</u>		
Balance, December 31, 2011	D		\$ 75,674,294.88
Increased By:			
Serial Bonds Paid By Operating Budget	13-D	\$ 2,375,000.00	
Transfer From Reserve for Deferred Amortization	20-D	34,387.87	
Loan Paid By Operating Budget	14-D	<u>1,822,108.57</u>	
			<u>4,231,496.44</u>
			79,905,791.32
Decreased By:			
Due from N.J.E.I.T. Cancelled	8-D		<u>44,740.00</u>
Balance, December 31, 2012	D		<u><u>\$ 79,861,051.32</u></u>

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY
WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2012

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, 2011	2012 <u>Authorizations</u>	BANs Issued	Balance December 31, 2012
12-08	Various Water/Sewer Improvements	\$	\$ 755,250.00	\$ 755,250.00	\$
12-09	Purchase of Various Water/Sewer Equipment		432,250.00	432,250.00	
		\$	\$ 1,187,500.00	\$ 1,187,500.00	\$
	<u>Reference</u>	23-D	16-D	15-D	23-D

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE OF RESERVE FOR INVESTMENT IN FIXED ASSETS

Year ended December 31, 2012

	Balance December 31, <u>2011</u>	<u>Additions</u>	<u>Disposals</u>	Balance December 31, <u>2012</u>
Land	\$ 20,152,797.61		\$	\$ 20,152,797.61
Buildings and Improvements	12,574,842.35			12,574,842.35
Machinery and Equipment	<u>16,630,088.07</u>	<u>\$ 1,852,172.86</u>	<u> </u>	<u>18,482,260.93</u>
	<u>\$ 49,357,728.03</u>	<u>\$ 1,852,172.86</u>	<u>\$</u>	<u>\$ 51,209,900.89</u>
<u>Reference</u>	E			E

TOWNSHIP OF STAFFORD
COUNTY OF OCEAN
SUPPLEMENTARY DATA
YEAR ENDED DECEMBER 31, 2012

COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Tax Rate (Per \$100 Assessed Valuation)	<u>\$1.907</u>	<u>\$1.887</u>	<u>\$1.846</u>

Apportionment of Tax Rate

Municipality	.707	.703	.674
County	.378	.380	.377
Regional High School	.214	.211	.201
Local District School	.598	.583	.584
Municipal Open Space	.010	.010	.010

Assessed Valuation

2012	\$4,379,755,881.00		
2011		\$4,371,873,160.00	
2010			\$4,363,683,997.00

COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2012	\$83,741,040.86	\$82,562,339.78	98.59%
2011	82,767,985.20	81,776,195.43	98.80%
2010	80,894,390.23	79,963,448.80	98.84%

DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

<u>Year Ended December 31</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2012	\$118,833.01	\$947,512.88	\$1,066,345.89	1.27%
2011	61,020.81	890,510.44	951,531.25	1.15%
2010	43,873.94	842,537.69	886,411.63	1.09%

PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION

The value of the property acquired by liquidation of tax title liens on December 31st, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2012	\$288,350.00
2011	290,850.00
2010	302,750.00

COMPARISON OF WATER-SEWER UTILITY CHARGES LEVIED

<u>Year</u>	<u>Levy</u>	<u>Prior Year Delinquent</u>	<u>Cash Collections</u>
2012	\$12,650,414.49	\$239,801.19	\$12,578,076.98
2011	12,884,996.90	181,641.59	12,826,837.30
2010	13,164,253.63	264,471.98	13,247,084.02

COMPARATIVE SCHEDULE OF FUND BALANCES

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>Current Fund</u>		
2012	\$3,297,409.58	\$2,900,000.00
2011	3,665,909.45	3,250,000.00
2010	2,913,670.01	2,800,000.00
2009	3,419,616.23	3,300,000.00
2008	3,918,236.02	3,300,000.00

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Water-Sewer Utility Fund</u>		
2012	\$ 78.12	\$ -
2011	78.12	-
2010	639,278.12	639,200.00
2009	581,711.51	580,000.00
2008	1,456,480.23	1,400,000.00

OFFICIALS IN OFFICE AND SURETY BONDS

The following Officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	
John Spodafora	Mayor	
Robert Kusznirow	Council President	
William Fessler	Councilman	
Kathleen Corbett	Councilwoman	
Henry Mancini	Councilman	
Stan Rutkowski	Councilman	
Joanne B. Sitek	Councilwoman	
Jim Moran	Administrator	
Bernadette Park	Clerk	
Douglas R. Gannon	Chief Financial Officer	*
Ruth Hendricks	Assistant CFO	*
Margaret Favorito	Collector	*
Nicole Erdin	Deputy Tax Collector	*
Damian Murray	Municipal Court Judge	*
Kevin N. Starkey	Municipal Attorney	

* All employees are covered by a Blanket Bond of \$1,000,000.00 of which \$950,000.00 is provided as part of the Ocean County Joint Insurance Fund and \$50,000.00 through the Municipal Excess Liability Joint Insurance Fund.

TOWNSHIP OF STAFFORD

COUNTY OF OCEAN

PART II

COMMENTS AND RECOMMENDATIONS

FOR THE YEAR ENDED DECEMBER 31, 2012

GENERAL COMMENTS

Contracts and Agreements Required To Be Advertised for N.J.S. 40A:11-4

N.J.S. 40-A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law".

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Work Order Computer Software	Turf Replacement Services
Grass Seed and Fertilizer	Tire Management Services
Field Marking Paint	Improvements to Barnacle Drive
Letterhead and Envelopes	Purchase of a Will-Burt Nightscan Series
One-Yard Dump Truck with Plow	Model #NS3.04/4.5-9000 (OPT)
and Associated Equipment	Purchase of a Graco Thermolazer Promelt
Neptune Basin Upgrades Barnegat Bay	Thermoplastic Striping System
Initiative	Panasonic Arbitrator 360 Mobile Digital
Refurbishment of Two 1999 Horton-Ford	Video Systems, Panasonic Toughbook Full
E-450 Ambulances	Rugged CF-31 Mobile Data Computers
Forecastle Basin Upgrades Barnegat Bay	and Sierra Wireless GCX440 Modems
Clean Water Initiative	Purchase of Police Uniforms and Equipment
Purchase of Regulatory Signs	Morris Boulevard Water Main Replacement
Generator Maintenance Program	Project
Purchase of a Labrie-Mack Automated	Purchase of Gasoline
Side Loader	Emergency Retrofit and Replacement of the
Refurbishment of Four Labrie-Mack	Existing Grinder Pump Station on Cedar
Automated Side Loaders	Bonnet Island
Purchase of Office Supplies	Purchase of a New 2013 Godwin Dri-Prime CD
Outboard Avenue Culvert Reconstruction	150M Six Inch Sound Attenuated Trailer
Purchase of Rock Salt	Mounted Pump or Equivalent

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 40A:11-5.

Our examination of expenditures did not reveal individual payments in excess of the bid threshold "for the provision or performance of any goods or services" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

GENERAL COMMENTS (continued)

Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1

N.J.S. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c. 198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered"

Collection of Interest on Delinquent Taxes, Water/Sewer Utility Charges, and Assessments

N.J.S.A. 54:4-67 provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes, assessments, and other charges on or before the date when they would become delinquent.

The Governing Body adopted a resolution authorizing interest to be charged on delinquent taxes, water/sewer utility charges and assessments:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Township Council of the Township of Stafford, County of Ocean, State of New Jersey, as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date, subject to any abatement or discount for the late payment of taxes as provided by law; and, if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31 of the tax year, an additional penalty of 6% shall be charged against the delinquency.
2. There will be a ten (10) day grace period for quarterly tax payments made by cash, check or money order.
3. Any payments not made in accordance with paragraph 2, of this resolution shall be charged interest from the due date, as set forth in paragraph 1 of this resolution.

It appears, from an examination of the Collector's records, that interest was collected in accordance with the foregoing resolution and statute.

GENERAL COMMENTS (continued)

Delinquent Taxes, Tax Title Liens, and Delinquent Water-Sewer Charges

The detail of all unpaid taxes for 2012 and prior years is being properly carried in the Tax Collector's records. An abstract taken from these records as of December 31, 2012, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

A tax sale was held on February 16, 2012 and was complete.

The following comparison is made of the number of tax title liens receivable on December 31st of the last three (3) years.

<u>Year</u>	<u>Number of Liens</u>
2012	53
2011	34
2010	26

The detail of all unpaid water-sewer charges for 2012 and prior years is being properly carried in the Utility Collector's records. An abstract taken from these records as of December 31, 2012, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

Verification of Delinquent Taxes and Other Charges

Verification of delinquent charges and current payments was done for the period under audit in accordance with the regulations of the Division of Local Government Services, on December 31, 2011 and consisted of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>	<u>Number Returned</u>
Dates of Payments of Taxes	25	4
Delinquent Taxes	12	3
Dates of Payment of Water-Sewer Utility Charges	25	8
Delinquent Water-Sewer Utility Charges	12	0

Through examination of those notices that were returned, and by alternative procedures for notices unreturned, no irregularities were noted.

OTHER COMMENTS

Cash and Cash Equivalents Balances

The cash and cash equivalents balances in all funds were verified by independent certifications obtained from the depositories as of December 31, 2012.

Cash counts were made at various dates in all departments of the Township and bank balances were independently reconciled to the books and records or to such schedules of receipts and disbursements provided for audit.

The change funds and petty cash funds were counted.

Revenues

Receipts from licenses, fees, fines and costs, etc. for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary.

Expenditures

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute.

Payroll

An examination was made of the employees' compensation records for the year 2012 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance. Vouchers for overtime and part-time wages were checked.

Miscellaneous Comments

The confirmations sent to the Regional High School and Local District Board of Education verified the correct school tax payable at December 31, 2012.

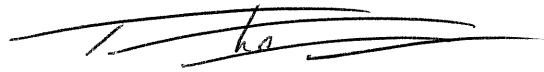
Appreciation

I desire to express my appreciation for the cooperation received from the Township Officials and Employees and the courtesies extended during the course of the audit.

RECOMMENDATIONS

None.

Very truly yours,

A handwritten signature in black ink, appearing to read 'T. P. Fallon', is written over a series of horizontal lines.

Thomas P. Fallon
Certified Public Accountant
Registered Municipal Accountant # 465

For the Firm
FALLON & LARSEN LLP